

Dear Residents of Clinton:

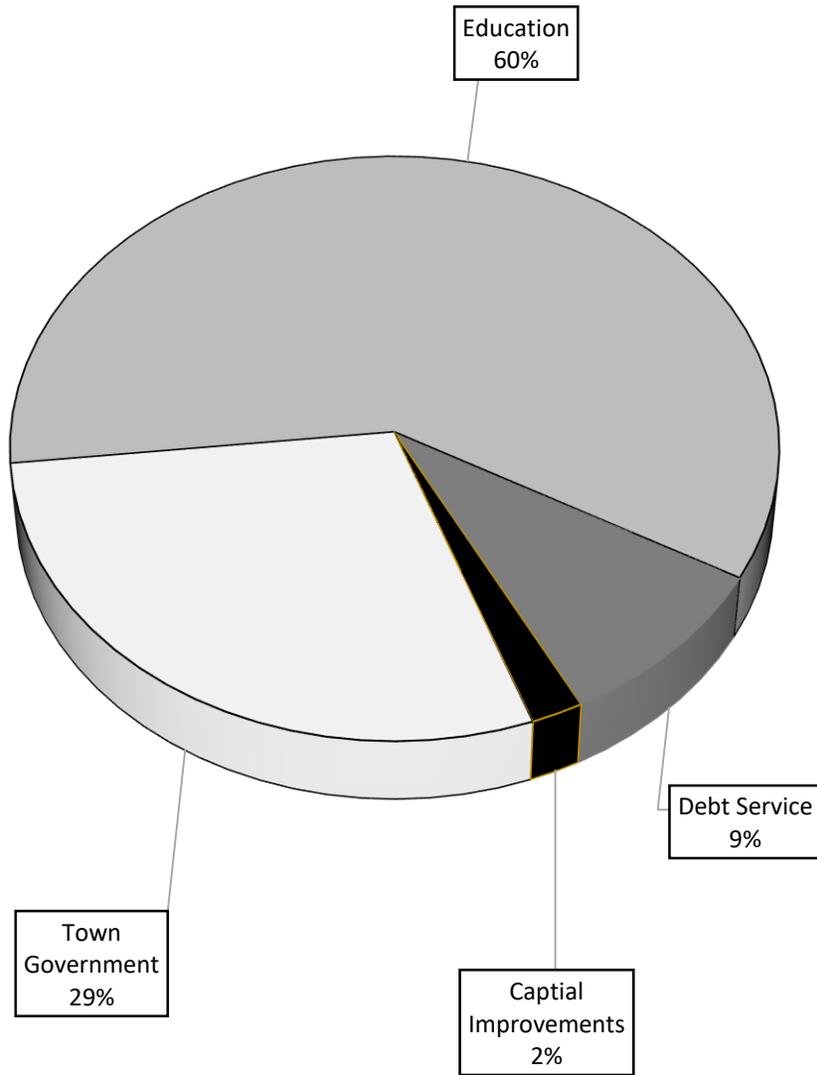
In accordance with the Clinton Town Charter, presented here is the Town Council’s Proposed Budget for fiscal year July 1, 2020 through June 30, 2021. The budget outlines the priorities and plans to provide services to the citizens and taxpayers of Clinton. This budget, which includes the expenditures for town operations, education, debt service, and capital, is proposed at \$57,099,976 which is an increase of \$1,983,710 or 3.60%.

EXPENDITURE SUMMARY

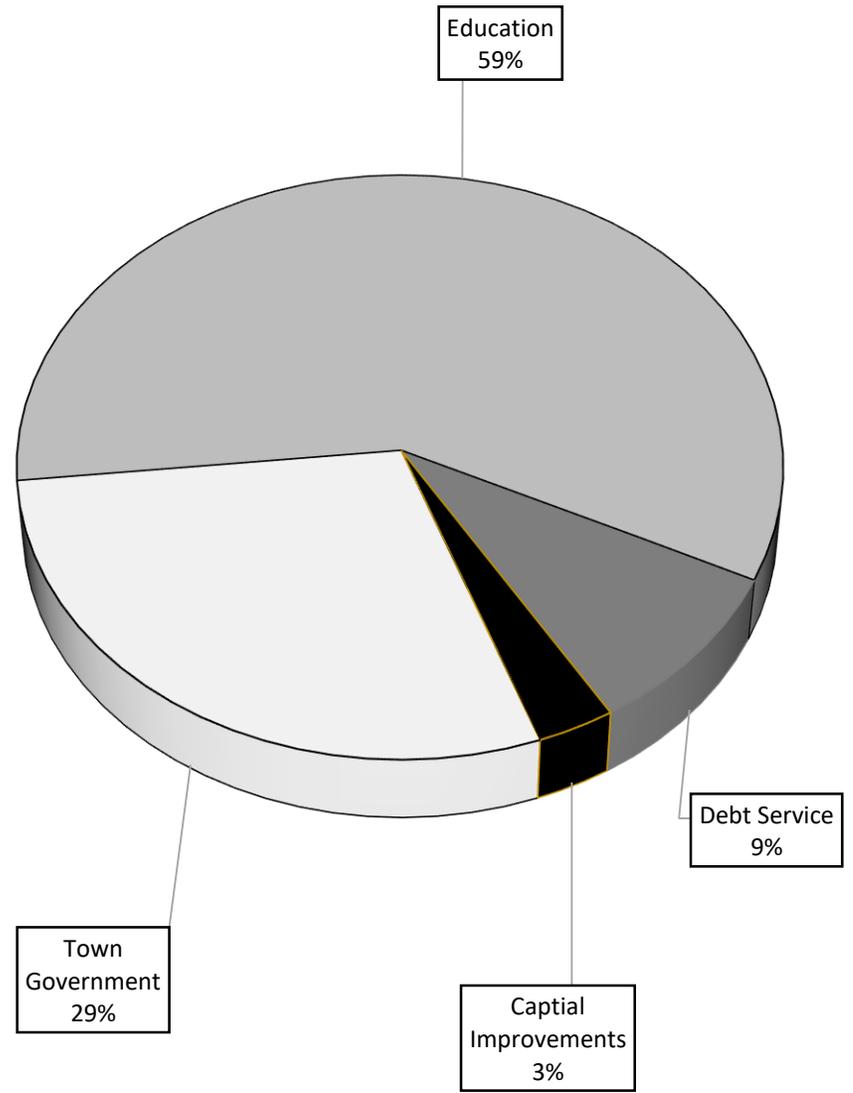
	Appropriated FY2019-20	Proposed FY2020-21	Proposed Budget Increase/(Decrease)	
Town Government	\$15,899,117	\$16,507,785	\$608,668	3.83%
Board of Education	32,961,486	33,572,391	610,905	1.85%
Debt Service				
Town	1,951,913	2,142,442	190,529	9.76%
Education	3,149,499	3,097,757	(51,742)	(1.64%)
Capital Improvements				
Town	755,280	1,346,475	591,195	78.27%
Education	398,971	433,126	34,155	8.56%
TOTAL	\$55,116,266	\$57,099,976	\$1,983,710	3.60%

At the start of the budget process, the Town Manager reduced the budget by \$11,184,953 from the submitted department requests - \$426,153 from Town Government Operating and \$10,758,800 from Town Capital Improvements. During its deliberations, the Town Council reduced proposed expenditures by another \$101,757.

ADOPTED BUDGET FY2019-20



PROPOSED BUDGET FY2020-21

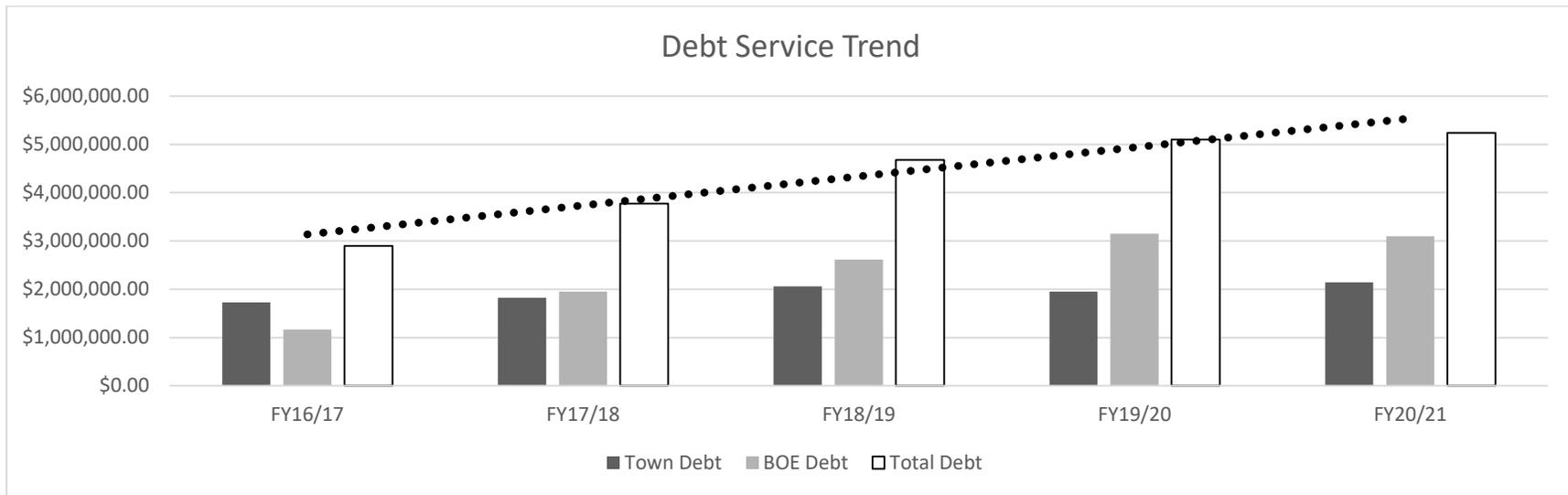


DEBT SERVICE:

Total Debt Service for both the Town and Board of Education is proposed to be funded at \$5,240,199 which is an increase of \$138,787 or 2.72% compared to FY2019-20. Debt service includes interest and principle payments for bonded debt and capital leases used to finance equipment purchases.

DEBT SERVICE COMPARISON

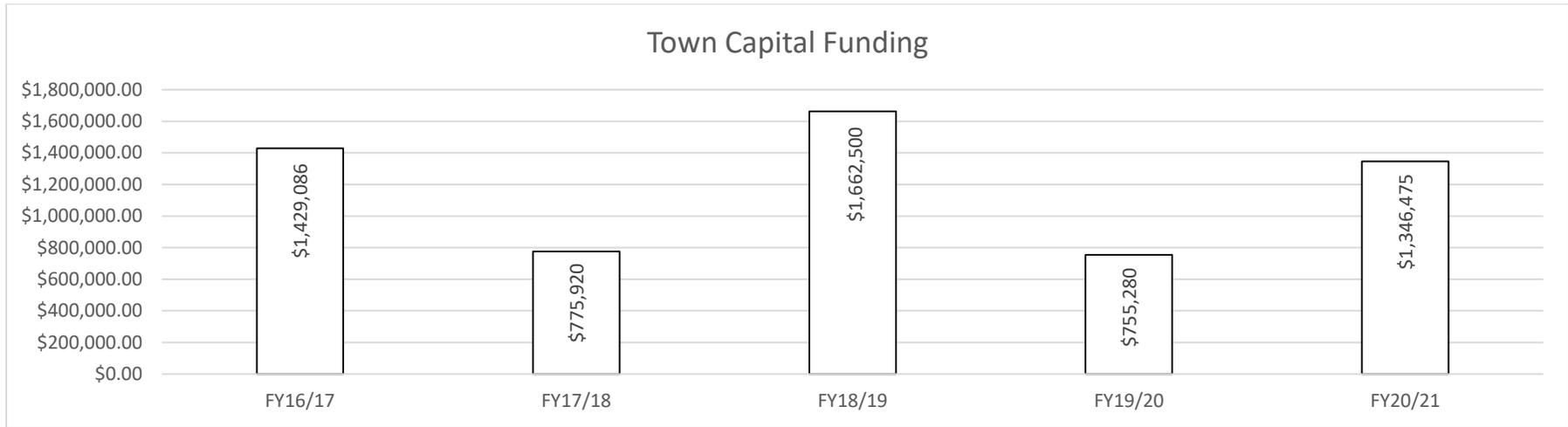
	2019-20 Budget	2020-21 Proposed Budget	Difference	% of Total Debt
Town Debt	\$1,951,913	\$2,142,442	\$190,529	40.88%
School Debt	\$3,149,499	\$3,097,757	(\$51,742)	59.12%
TOTAL	\$5,101,412	\$5,240,199	\$138,787	100.00%



CAPITAL EXPENDITURES:

Higher priority needs have been placed in the capital plan for FY2020-21. Some significant capital priorities include:

1. Establish Fire Apparatus Reserve – As the rolling stock for the Fire Department ages and reaches the end of its service life, the Town needs to develop a plan to address apparatus replacement needs. This budget creates a reserve within the Capital Fund which will grow to fund apparatus replacements. The initial funding for the reserve is proposed to be funded by an appropriation from fund balance.
2. Funding for Paving – Funding for paving has been included in the capital budget to support on-going needs for road repair in the Town. This expense has been financed through bonds in the past. The budget starts to fund road repair in the budget for annual improvements.



REVENUES:

Sources of revenue for local governments are severely limited by State government. State grants-in-aid form the largest source of revenue outside of the local property tax.

STATE GRANT-IN-AID COMPARISON

Grant-in-Aid Program	State FY20	Town FY20	Governor FY21	Town FY21	Town to Town Change
ECS	\$5,455,699	\$4,933,814	\$5,192,084	\$5,192,084	\$258,270
LOCIP	84,033	84,033	84,033	84,033	0
State PILOT	16,949	16,949	16,949	16,949	0
Town Aid Road	267,626	267,626	267,253	267,253	(373)
Municipal Projects	191,674	191,674	191,674	191,674	0
Muni Stabilization Grant	288,473	288,473	288,473	288,473	0
TOTAL	\$6,304,454	\$5,782,569	\$6,040,466	\$6,040,466	\$257,897

Clinton-based revenue looks better for FY2020-21 with growth in the local Grand List. The Grand List as of October 1, 2019 had an increase in values over the prior year. Grand List growth generates additional local revenue in excess of \$500,000.

The budget does not assume new user fees or an increase to user fees. In terms of other non-tax revenue, new to this budget is the accounting for the use of Undesignated Fund Balance to support the financing of aspects of the Town’s capital expenditures. The Town Manager’s Proposed Budget assumed the use of \$450,000 of Fund Balance to finance capital projects. The Town Council increased that amount by \$375,000 to a total of \$825,000 to further reduce the mill rate.

MILL RATE:

To understand the impact of the proposed budget on the average Clinton taxpayer, the following calculation shows the change in mill rate or rate of taxation. The impact of the proposed budget to the average residential taxpayer is as follows:

Average Market Value	\$300,000		
Average Assessed Value (70%)	\$210,000		
	<u>Mill Rate</u>	<u>Tax Bill</u>	<u>Change</u>
FY2019/20 Adopted Budget	31.25	\$6,562.50	
FY2020/21 Proposed Budget	31.47	\$6,608.07	\$45.57 or 0.69%

HOW AVERAGE TAX BILL REVENUE IS SPENT

Service	Amount	Percentage
Govt. Administration	\$245.82	3.72%
Land Use & Development	38.33	0.58%
Protection & Emergency	494.28	7.48%
Public Works & Facilities	372.70	5.64%
Recreation & Human Services	75.99	1.15%
Library	88.55	1.34%
Capital and Debt Financing	813.45	12.31%
Non-Departmental (Benefits, Insurance, Other)	600.67	9.09%
Education	3,878.28	58.69%
TOTAL	\$6,608.07	100.00%

CONCLUSION:

Difficult decisions went into the budget process to develop a fair budget and tax rate. I would like to thank the Town Council for their input into the budget as well as the Town Manager and Town staff. It is impossible to describe the effort and energy needed to produce a document such as this.

The Town Council looks forward to receiving the input of Clinton residents at the Budget Public Hearing.

Sincerely,

Christopher Aniskovich
Chairman of the Town Council