
Town of Canterbury

FY24 BUDGET OVERVIEW

MAY 2, 2022

Board of Finance

CANTERBURY, CONNECTICUT

OBJECTIVES

- **Provide information**
 - **Obtain comments and feedback**
 - **Build wider understanding and ownership of budget process**
 - **Timely adoption of budget**
 - **Reduces uncertainty to residents and taxpayers**
 - **Reduces cost to residents and taxpayers**
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BUDGET FOCUS

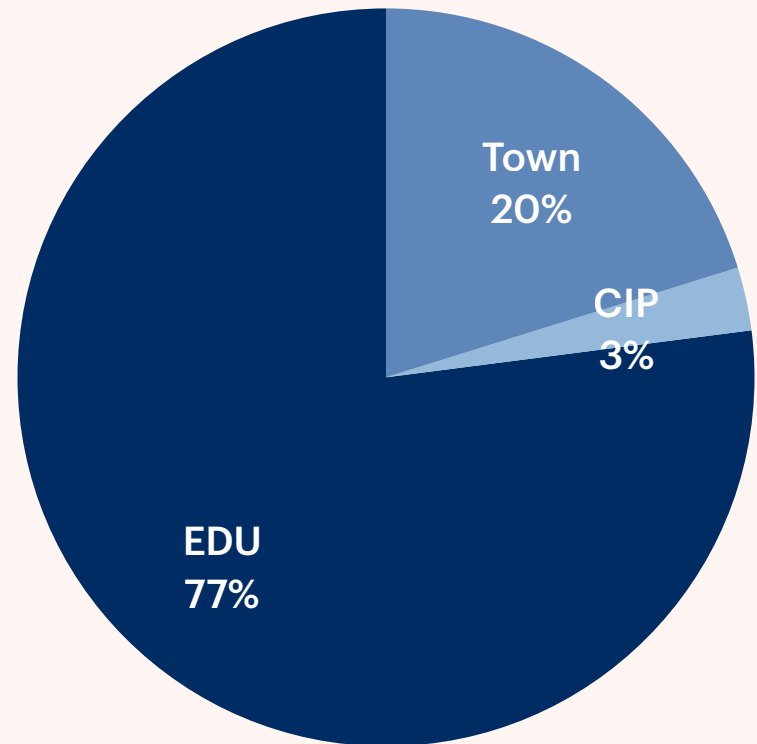
- **Adequately fund necessary local services**
 - **Plan for capital expenses**
 - **Set goals and priorities**
 - **Facilitate proper spending oversight**
 - **Meet legal requirements**
 - **Maintain sufficient fund balance for cash flow**
 - **Plan for an unpredictable future**
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TIMELINE

- **May 2 - Public Hearing**
 - **May 3 - Board of Finance Regular Meeting**
 - **Act on feedback from Public Hearing**
 - **Make adjustments based on revenue estimates**
 - **May 18 - Town Meeting**
 - **May 23 - Referendum**
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FY24 BUDGET BOTTOM LINE

- **Town Government Budget: \$3,287,536**
- **Capital Improvement Budget: \$451,502**
- **Education Budget: \$12,542,574**
- **Total: \$16,281,612**



FY24 BUDGET COMPARISONS

	FY23	FY24	Change	% Change
Town Government	\$3,134,835	\$3,287,536	\$152,701	4.87%
CIP	\$487,490	\$451,502	-\$35,988	-7.38%
EDU	\$11,986,276	\$12,542,574	\$556,298	4.64%
Total	\$15,608,601	\$16,281,612	\$673,011	4.31%

KEY FY24 BUDGET DRIVERS

➤ Town Budget

➤ Refuse, Maintenance and Fuel Costs, Contractual Increases, early voting staffing

➤ CIP

➤ Vehicle leases, fire rescue equipment

➤ EDU

➤ New bus driver

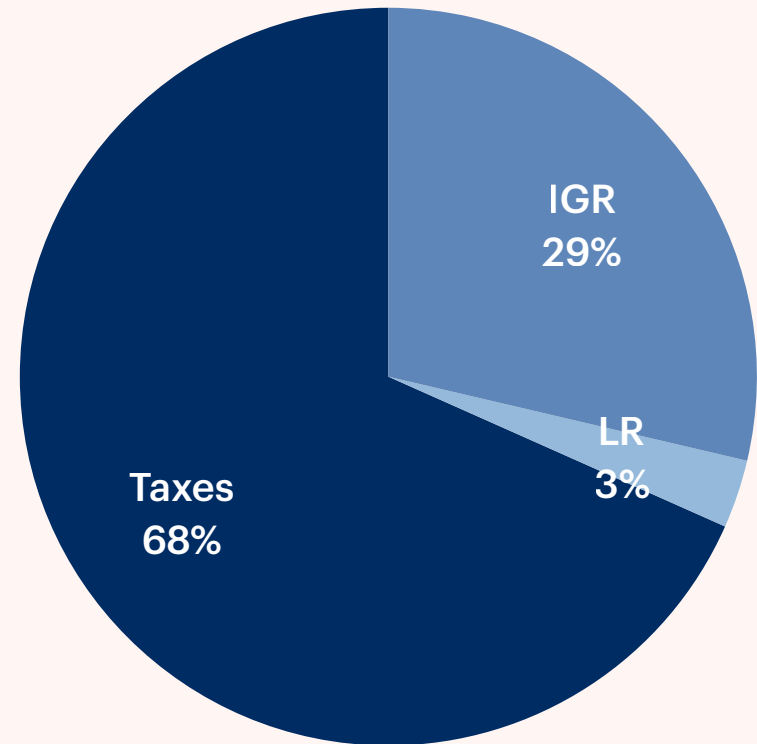
➤ Items funded through grants shifting to local funding as grants expire

➤ Health insurance increases

➤ Utilities, Property insurance and maintenance

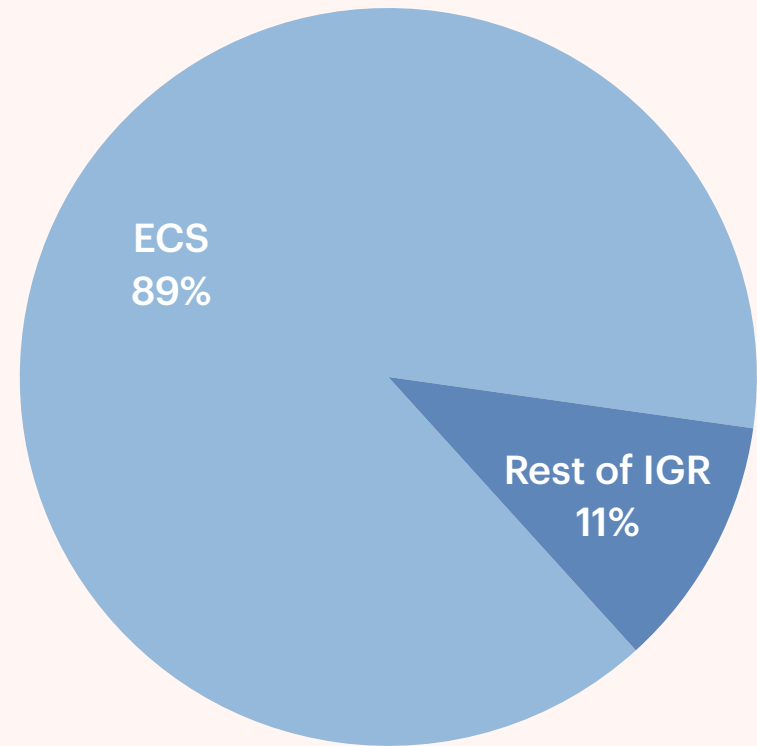
HOW DO WE PAY FOR THIS?

- **Taxes**
 - **Property Tax**
 - **Interest and Liens**
- **Local Revenue (Permits, Dump Stickers, etc.)**
- **Inter-Governmental Revenue**
 - **State Grants (Education Cost Sharing, etc.)**

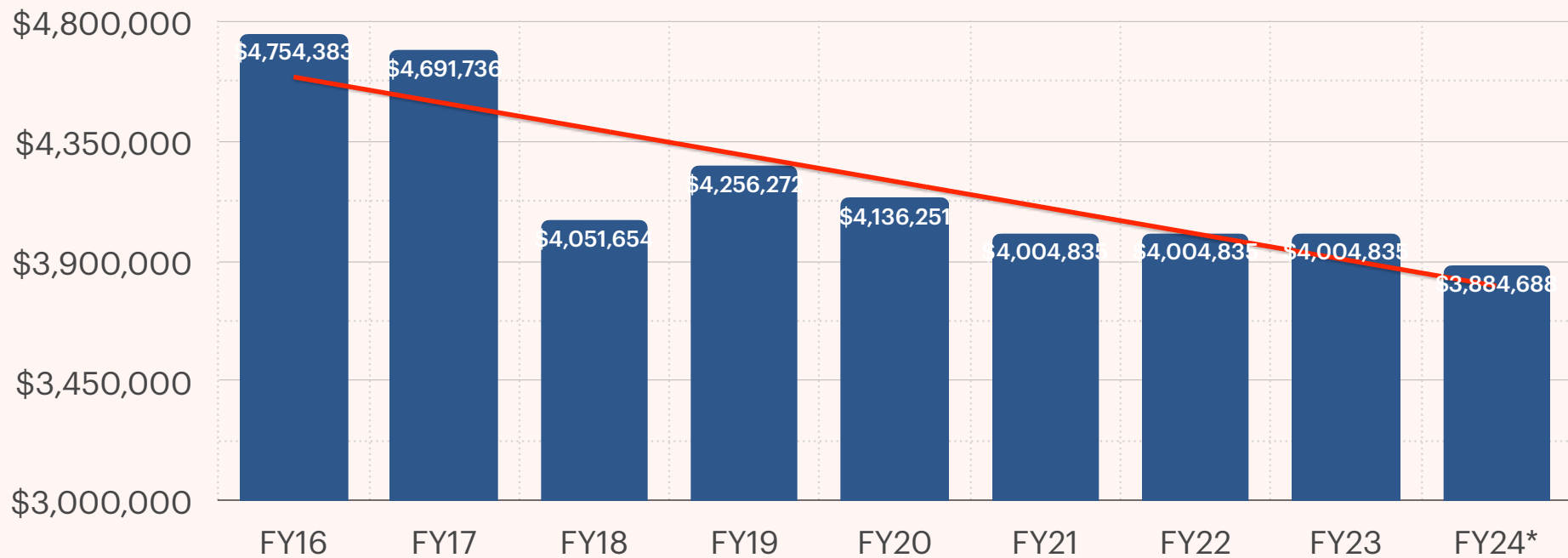


HOW DO WE PAY FOR THIS?

- **Education Cost Sharing**
 - **Huge piece of our revenue**
 - **89% of Inter-Governmental Revenue**
 - **Has a history of reduction**
 - **Stable last three years**



ECS HISTORY



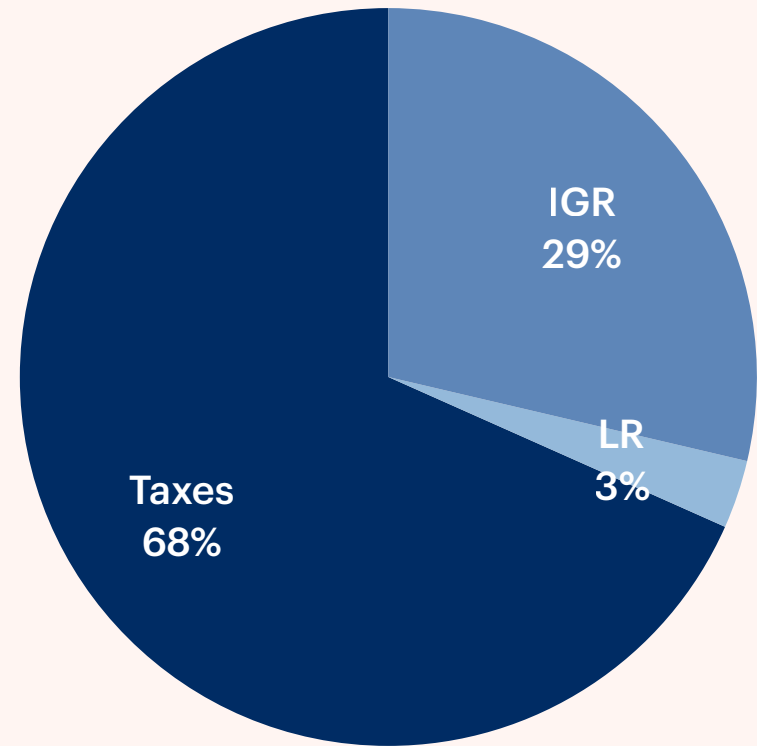
*Governor's recommended budget. As of April 24, the legislature's Appropriations and Finance, Revenue & Bonding Committees approved budget returns the FY24 grant to \$4,004,835.

GRAND LIST YEAR ON YEAR

	FY23	FY24	Change	% Change
Grand List	\$439,799,806	\$455,644,604	\$15,844,798	3.60%
1 Mill Equivalent	\$439,800	\$455,645	\$15,845	3.60%

FY24 REVENUE ESTIMATES

- **Taxes, Interest & Liens: \$10,415,028**
- **Local Revenue: \$456,650**
- **Inter-Governmental Revenue: \$4,367,574**
- **Total Revenue: \$15,239,252**



FY24 REVENUE COMPARISONS

	FY23	FY24	Change	% Change
Taxes, Interest & Liens	\$10,054,242	\$10,415,028	\$360,786	3.59%
Local Revenue	\$285,608	\$456,650 *	\$171,042	59.89%
Inter-Governmental Revenue	\$4,489,878	\$4,367,574	-\$122,304	-2.72%
Total Revenue	\$14,829,728	\$15,239,252	\$409,524	2.76%

*Quinebaug Solar PILOT of \$115,150 included in this amount.

TAXES, INTEREST AND LIENS

- **Property Tax: \$10,375,028**
 - **Interest and Liens: \$40,000**
 - **Total: \$10,415,028**
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PROPERTY TAX

- **\$10,375,027.63 desired total collection**
 - **Grand List = \$455,644,604**
 - **1 Mill is Worth 1/1000 of Grand List = \$455,644.60**
 - **99% Collection Rate**
 - **$\$10,375,027.63 \div \$455,644.60 \div 99\% = \text{Tax Rate of 23.00 Mills}$**
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FY24 EXPENSES V/S REVENUE

- **Total Expenses: \$16,281,612**
 - **Total Revenue: \$15,239,252**
 - **Balance = -\$1,042,360**
 - **We will use unassigned fund balance to cover this gap and lower the mill rate**
 - **Unassigned fund balance is healthy and leaves a good margin for cash flow**
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EXPENSES / REVENUE SHEET

	Adopted Budget	Proposed Budget	Difference between FY21-22 and FY22-23
	2022-2023	2023-2024	
Town Government	\$3,134,835	\$3,287,536	\$152,701
Capital Improvement Plan	\$487,490	\$451,502	(\$35,988)
Education Budget	\$11,986,276	\$12,542,574	\$556,298
Total Expenditures	\$15,608,601	\$16,281,612	\$673,011
Total Revenues	\$14,830,397	\$15,239,252	\$408,855
Yearly Operating Changes (Audited)			\$0
Fund Balance Used To Reduce Mil Rate Increase	(\$778,204)	(\$1,042,360)	(\$264,156)
Fund Balance Reserved for Special Purposes (Driveway Bonds, etc.) (Restricted, Special reserves-External)			\$0
Unreserved Fund Balance	\$2,788,711	\$3,294,558	\$505,847
Anticipated Return from Gen Gov*			\$0
Anticipated Return from Education*			\$0
Additional Appropriations	\$99,000	\$520,000	\$421,000
Total Fund Balance (Audited)			
Unreserved Fund Balance (Audited)	\$2,788,711	\$3,294,558	\$505,847
Unreserved Fund Balance (Projected)	\$2,689,711	\$2,774,558	\$84,847
Balance Maintained for Cash Flow (10% of adopted Budget)	\$1,560,860	\$1,628,161	\$67,301
Net Fund Balance (Unreserved Projected-Cash Flow Reserve)	\$350,646	\$104,036	(\$246,610)