



BUDGET

TOWN OF PRESTON
BOARD OF FINANCE
2024-2025 PROPOSED BUDGET

Board of Finance Adjustments Following Public Hearing

2024-2025 Expenditures

	Proposed	Adjustment	Adjusted Budget
Town Government	\$5,443,743	(\$29,437)	\$5,414,306
Education	\$15,183,360	(\$151,834)	\$15,031,526
Debt Service	\$719,342	\$-	\$719,342
Total Expenditures	\$21,346,445	(\$181,271)	\$21,165,175

2024-2025 Revenue

	Proposed	Adjustment	Adjusted Budget
Taxes	\$15,052,650	(\$206,270)	\$14,846,380
Intergovernmental	\$4,527,159	\$-	\$4,527,159
Local	\$566,636	\$25,000	\$591,636
Reliance on Fund Balance	\$1,200,000	\$-	\$1,200,000
Total Revenue	\$21,346,445	(\$181,270)	\$21,165,175

Mill Rate

Current Mill Rate	22.87
Proposed Mill Rate	23.37
Change in Mill Rate	.50

Mill Rate Calculation Example

Update to calculation on page 16 of this presentation

Home assessed at	\$175,000
Current mill rate	22.87
Current property tax	\$4,002.50
Proposed Mill Rate	23.37
Proposed property tax	\$4,090
Tax Increase	\$88

• Board of Finance Members •

John Moulson, Chairman
Andrew Sawyer, Vice Chairman
Zachery Maurice, Clerk
Denise Beale
Thomas Wright
Max Zachem

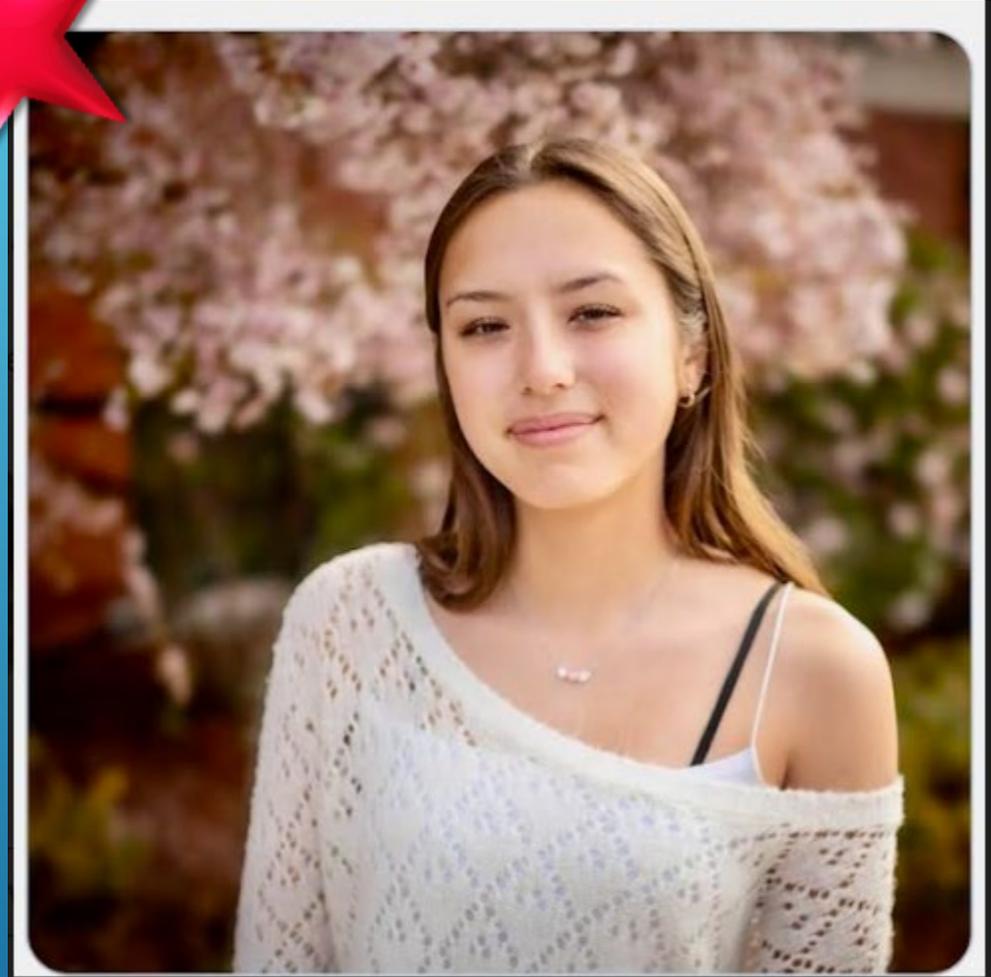
Alternates
Sam Chinigo
Mary Gardner

Sandra Allyn-Gauthier, First Selectwoman
Megan Gallant, Chairwoman Board of Education
Roy Seitsinger, Superintendent of Schools
Cynthia Varricchio, Director of Finance and School Business Operations

Preston Proud!



Sidney E. Frank
Memorial Award



Alexandra Tabilas
NFA Senior
Tuft University-Engineering



2024-2025 Proposed Budget



Estimated Expenditures Summary

Description	FY 2024 Amended	FY 2025 Proposed	\$ Change	% Change
General Government	\$4,911,193	\$5,443,743	\$532,551	10.8%
Board of Education	\$14,380,777	\$15,183,360	\$802,583	5.6%
Debt Service	\$742,642	\$719,342	(\$23,300)	-3.1%
Total Expenses	\$20,034,612	\$21,346,445	\$1,311,834	6.5%

2024-2025 Proposed Budget



Estimated Revenues Summary

Description	FY 2024 Adopted	FY 2025 Proposed	\$ Change	% Change
Property Taxes	\$14,037,217	\$15,232,650	\$1,195,433	8.5%
State Revenues	\$4,393,670	\$4,527,159	\$133,489	3.0%
Local Revenues	\$304,636	\$311,636	\$7,000	2.3%
Investment Income	\$90,000	\$75,000	(\$15,000)	-16.7%
From Unassigned Fund Balance	\$1,200,000	\$1,200,000	\$-	0.0%
Total Revenues	\$20,025,523	\$21,346,445	\$1,320,922	6.6%



- Additional firefighter partially funded through ARPA—\$36,000
- Two additional Public Works Maintainers—currently each Maintainer services 18.3 miles of road which is higher than the average of neighboring towns—\$100,000
- Additional funding for road resurfacing—\$53,000

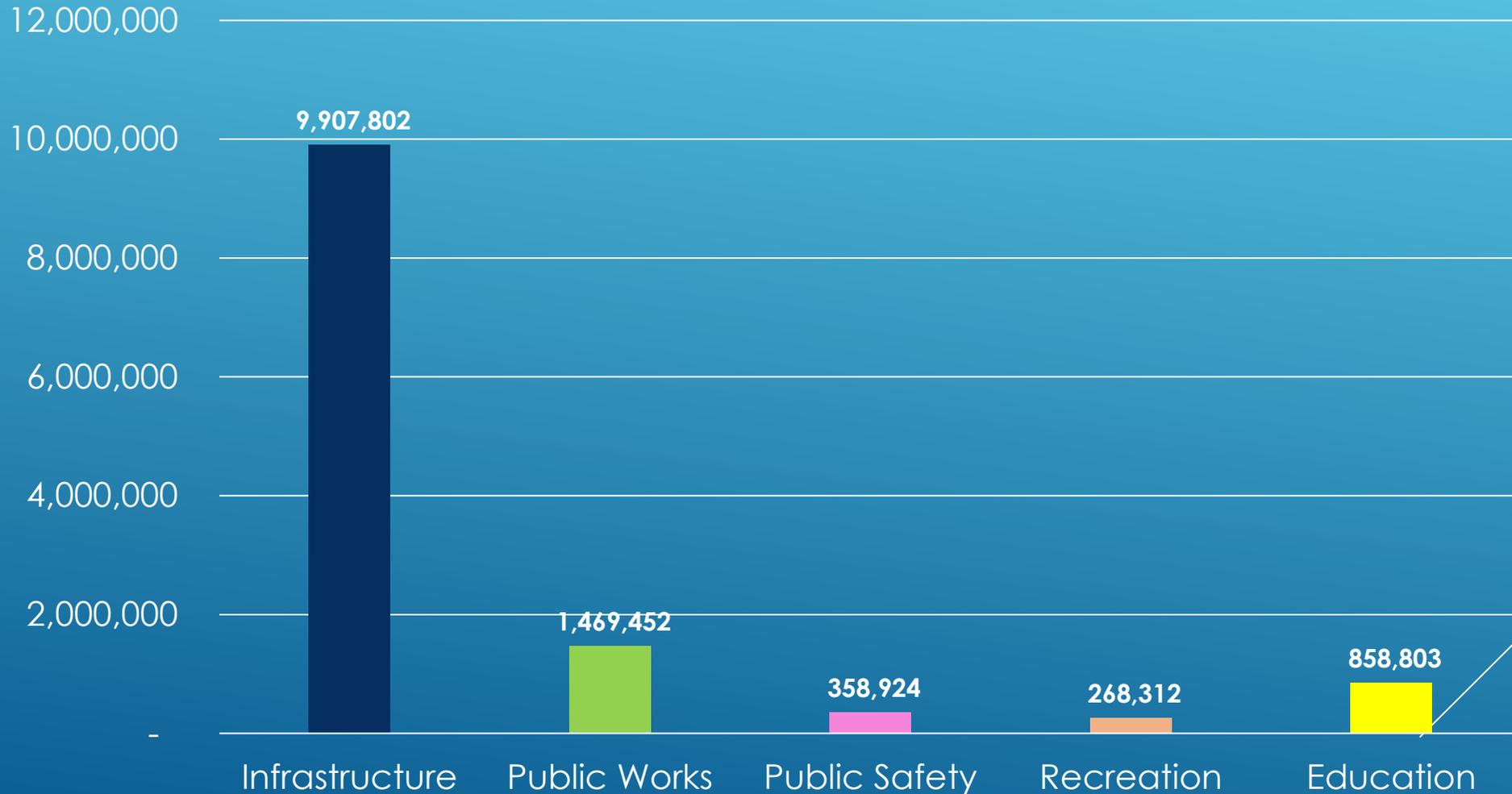
- Additional bus driver to restore to pre-Covid route system and additional custodian to sustain established cleaning standards—\$120,000
- Special Education—\$300,000
- Minimal fiscal cliff from COVID Grants—carefully managed grants to avoid
- 89% fixed costs

JOINT EFFORTS

- Health Insurance increase of 9.8%— working with our insurance consultant—initial increase was projected at 29%
- Dental Insurance—no increase
- Locked in unleaded gasoline at \$2.6967 per gallon, diesel at \$2.9868 per gallon and fuel oil at \$2.8933 per gallon
- Continue to aggressively pursue grant opportunities
- Joint Strategic Plan is coming to completion
- ClearGov online budget tool for greater information and transparency for citizens

Competitive Grant Awards

\$12.9 million



Unassigned Fund Balance



Unassigned Fund Balance Summary

Description	FY 2021 Actual	FY 2022 Actual	FY 2023 Conservative Estimate	FY 2024 Conservative Estimate
Contingency Fund 9.5% of Current Year's Budget	\$1,555,468	\$1,618,382	\$1,784,396	\$2,027,912
Cash Reserve	\$2,048,495	\$2,028,064	\$1,262,050	\$1,218,534
Total Available Unassigned Fund Balance	\$3,603,963	\$3,646,446	\$3,046,446	\$3,246,446

Unassigned Fund Balance History

Source: Town of Preston, Audited Financial Statements

Fiscal Year	Budgeted Use of Fund Balance	Actual Use of Fund Balance		Unassigned Fund Balance	Net Change	% of Unassigned Fund Balance to Budget Actual
2024	\$1,200,000	\$1,000,000	3)	\$3,246,446	\$200,000	15.2%
2023	\$900,000	\$300,000	3)	\$3,046,446	(\$600,000)	16.2%
2022	\$660,000	\$0		\$3,646,446	\$440,206	21.4%
2021	\$690,000	\$0		\$3,454,582	\$316,368	21.0%
2020	\$650,000	\$0		\$2,911,851	\$431,958	17.8%
2019	\$450,000	\$0		\$3,162,056	\$205,982	19.8%
2018	\$375,000	\$488,346	1)	\$2,549,775	(\$488,346)	16.2%
2017	\$740,000	\$0		\$2,983,163	\$229,327	19.6%
2016	\$592,000	\$236,956	2)	\$2,631,847	(\$236,956)	17.4%
2015	\$515,000	\$0		\$2,879,784	\$283,965	19.4%
2014	\$500,000	\$0		\$2,801,541	\$256,975	19.3%
2013	\$297,300	\$0		\$2,193,494	\$554,730	15.0%

- 1) Town budgeted \$1,298,003 for Special Education grant, actual was \$94,455
- 2) Transfers were made from the General Fund to other funds totaling \$236,956
- 3) Conservative estimates

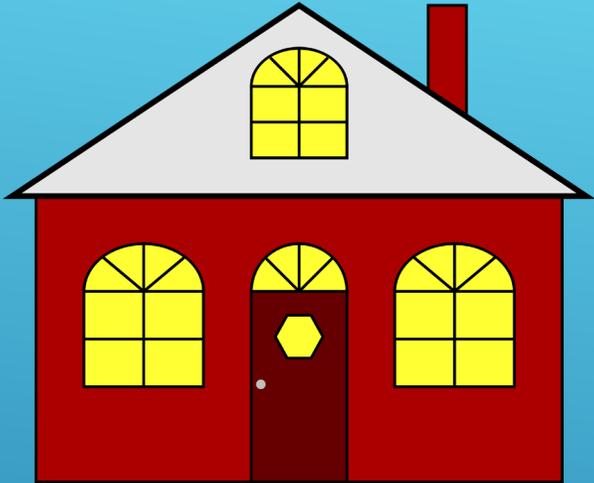
Property Tax Calculation



Property Tax Calculation Summary

Description	FY 2024 Adopted	FY 2025 Proposed	\$ Change	% Change
Total Expenses	\$20,025,523	\$21,346,445	\$1,320,922	6.6%
Less State Revenues	\$4,393,670	\$4,527,159	\$133,489	3.0%
Less Prior Year Taxes/Interest and Penalties	\$180,000	\$180,000	\$-	0.0%
Less Local Revenues	\$304,636	\$311,636	\$7,000	2.3%
Less Investment Income	\$90,000	\$75,000	(\$15,000)	-16.7%
From Unassigned Fund Balance	\$1,200,000	\$1,200,000	\$-	0.0%
Property Tax Needed	\$13,857,217	\$15,052,650	\$1,195,433	8.6%

The Grand List



Net Taxable Grand List Summary	
2022 Grand List	\$612,023,395
2023 Grand List	\$639,734,563
Total Grand List Increase \$	\$27,711,168
Total Grand List Increase %	4.5%

The Mill Rate



Mill Rate Calculation		
	FY 2024 Adopted	FY 2025 Proposed
One mill	\$612,023,395	\$639,734,563
One mill calculation	\$605,903	\$635,256
Calculation %	99.0%	99.3%
Required taxes	\$13,857,217	\$15,052,650
Mill Rate	22.87	23.70

Historic Tax Collection Comparisons

Mill Rates	
FY 2025 Proposed	23.70
FY 2024 Adopted	22.87
FY 2023 Adopted	27.88
FY 2022 Adopted	26.94
FY 2021 Adopted	26.90
FY 2020 Adopted	26.43
FY 2019 Adopted	26.03
FY 2018 Adopted	24.00
FY 2017 Adopted	23.75
FY 2016 Adopted	23.00
FY 2015 Adopted	23.14

Budgeted Use of Fund Balance	
FY 2025 Proposed	\$1,200,000
FY 2024 Adopted	\$1,200,000
FY 2023 Adopted	\$900,000
FY 2022 Adopted	\$660,000
FY 2021 Adopted	\$690,000
FY 2020 Adopted	\$650,000
FY 2019 Adopted	\$450,000
FY 2018 Adopted	\$375,000
FY 2017 Adopted	\$740,000
FY 2016 Adopted	\$592,000
FY 2015 Adopted	\$515,000

Historic Comparisons

Tax Collection % to Budget*	
FY 2023 Adopted*	101.7%
FY 2022 Adopted	101.8%
FY 2021 Adopted	101.6%
FY 2020 Adopted	101.6%
FY 2019 Adopted	101.1%
FY 2018 Adopted	113.3%
FY 2017 Adopted	101.2%
FY 2016 Adopted	100.6%
FY 2015 Adopted	102.7%

Tax Collection % to Levy*	
FY 2023 Adopted*	97.5%
FY 2022 Adopted	99.4%
FY 2021 Adopted	98.9%
FY 2020 Adopted	98.6%
FY 2019 Adopted	98.6%
FY 2018 Adopted	98.6%
FY 2017 Adopted	98.0%
FY 2016 Adopted	98.1%
FY 2015 Adopted	98.1%

Source: Town of Preston, Audited Financial Statements
*Unaudited

Budget Impact to Taxpayers



The calculation to the right is for a home valued at \$250,000 for the 2023 Grand List assessed at 70%.

<u>2023 GL Home assessed at</u> \$175,000	
<u>Current mill rate</u>	<u>22.87</u>
<u>Current property tax</u>	<u>\$4,002.50</u>
<u>Proposed mill rate</u>	<u>23.70</u>
<u>Proposed property tax</u>	<u>\$4,147.50</u>
<u>Increase to property tax</u>	<u>\$145</u>

Important Dates

Budget Town Meeting
Thursday, May 9, 2024

7:00 pm

Preston Veterans Memorial School



Budget Referendum
Thursday, May 23, 2024

12 pm to 8 pm*

Preston Plains Middle School

*unless voted to change starting time at Town Meeting



Any questions or Comments on the Board of Finance Proposed Budget??



THANK YOU

The background features a dark teal color. In the center, there are two overlapping diamonds. The outer diamond is a light yellow-green, and the inner one is a light teal. To the right, several white diagonal lines of varying thicknesses extend from the bottom towards the top right corner.