

FY2024 Budget Overview-January 21, 2023

FY2024 Mill Rate Projections

- This past fall, the BOF projected a **4% FY2024 mill rate increase** based on various assumptions, including budget increases of **2% for BOS** and **BOE of 3%**.
- Following **various changes** in assumptions, including **BOE of 6%**, the **revised projection** is now a **5% to 6% increase in the mill rate**.
- The **BOF hasn't provided guidance** on the projections or the BOS budget expectations.
 - *The **BOF voted 4-2** to recommend a FY2023 BOE budget with a 2.21% increase. The two no votes, (Stroup and Arkell) thought the budget was too low.*
 - *The **BOF voted 4-1** to recommend a FY2023 BOS budget with a 1.37% increase. The one no vote, Arkell, implied the budget was too high. Stroup was absent.*
 - *The **BOF voted 4-2** to recommend a FY2023 Mill Rate with a 1.293% increase. Stroup and Arkell voted no.*

FY2024 Budget Overview

FY2024 Mill Rate Projections

- The BOF intends to **survey residents in early March.**
- Results of **past surveys** include,
 - **2022 survey results:** 554 respondents. Although 71% approved of BOS increase and 58% approved of BOE increase, only **47% approved of the resulting mill rate increase of 1.94%.** BOF recommended **1.29%** to the ATM.
 - **2019 PODC telephone survey [results](#).** Q-Major issues impacting quality of life? **29% taxes and spending too high.**
 - **2018 survey results:** 1411 respondents. **55% open to 1% mill rate increase. 42% open to 2%. 32% open to 3%.**

FY2024 Budget Overview

FY2024 Mill Rate Projections

- What is **unknown** that might significantly **impact the mill rate**?
 - *Final **BOS and BOE recommended budgets**-due March 3rd.*
 - *Offered assistance to BOE to seek grants for security cameras.*
 - ***October 1, 2022 grand list**-due end of February.*
 - ***Interest rate and amount for new borrowings**-available in mid-March.*
 - ***Estimate for revenue from supplemental motor vehicle tax**-available after Jan 31st.*
 - *Estimates for **conveyance and building permit revenue**.-estimated for March 3rd and April deliberations.*
 - ***FY2023 forecasted excess revenue** available to fund FY2024 budget-estimated for public hearings and BOF budget deliberations.*

FY2024 Budget Overview

Two to Three Year Horizon

- **Continued focus on grants and reasonable grand list growth to assist in minimizing tax increases.**
 - ***Grants***
 - **\$26 million** in awarded grants **2019 thru 2022**
 - Approximately **\$1.8 million in avoided debt service** in FY2024.
 - ***Organic grand list growth***
 - In Progress
 - ASML-FY2024 and beyond
 - 141 Danbury Road-FY2025
 - Possible
 - 12 Godfrey Place
 - Kimco

FY2024 Budget Overview

Two to Three Year Horizon Areas of Concern

- **October 1, 2023 Revaluation-(FY2025 Budget)**
 - *Home values expected to increase.*
 - *Commercial office buildings values expected to decrease.*
 - *Motor vehicle values expected to decrease with new valuation method. Reversal of much of the October 1, 2021 increase for motor vehicles.*
 - *Residential property will likely increase as a share of the grand list.*

FY2024 Budget Overview

Two to Three Year Horizon Areas of Concern

- ***Proposed legislation***

- Noting a **change in tactics** with the bills to encourage certain actions. **Carrot** or a **stick and carrot approach**. Could impact our ability to obtain grants or same level of grants.
 - [*DesegregateCT Proposed Bill*](#): If a municipality adopts a the higher density transit-oriented community regulations, the municipality would be eligible for TBD grants. If the municipality didn't, they won't be eligible for discretionary transportation grants.
 - [*Encourage School Regionalization Bill*](#): Reduces school building funding percentage by 20 points for any town with a population of 25,000 that has not regionalized and has a high school under control of a local board of education and increases school building reimbursement funding by 20 points for five year to any town the agrees.
 - [*Encourage Affordable Housing*](#): Additional school building reimbursement funding for districts in municipalities with 6% or more percent affordable housing.

Change to the State Partnership Plan for Municipal Employee Medical Insurance

- As of **July 1, 2020**, all town employees with a medical insurance benefit were moved to the **State Partnership Plan**. Rationale,
 - *Lower cost for the town. Estimated annual savings of \$600,000 per year.*
 - *Lower cost for the employees.*
 - *No loss of benefits.*
- Since July 1, 2020, Wilton
 - *FY2021 claims to premium ratio of 137% (Oct 1, 2020 to June 30, 2020).*
 - *FY2022 claims to premium ration of 150%.*
 - *Premiums flat for FY2022.*
 - *10% increase in premiums for FY2023.*
- Total Plan claims to premium ratio
 - *FY2020 94.4%.*
 - *FY2021 91.2%.*
 - *FY2022 106%.*
 - *FY2023 actuarially estimated to be 98%.*