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FY 23 Revenue Estimates

December 6, 2021

PRESENTATION OVERVIEW

- Sources of Revenue
- Property Tax Estimates
- Local Receipts Estimates
- State Aid Estimates
- Other Available Funds Estimates
- Free Cash Estimates
- Next Steps

SOURCES OF REVENUE

THERE ARE FOUR MAIN SOURCES OF RECURRING REVENUE FOR THE TOWN.

- ❑ *Property Tax- Property tax is an assessment on the ownership of real and personal property.*
- ❑ *Local Receipts- Locally generated revenues, other than real and personal property taxes. Examples include motor vehicle excise, investment income, fees, rentals and charges.*
- ❑ *State Aid- Local aid is appropriated in the state budget and is primarily comprised of Chapter 70 (public education) local aid and unrestricted general government aid.*
- ❑ *Available Funds, are other funding sources that the Town can access such as PILOT Payments, and Indirect Costs from Enterprise Funds.*

SOURCES OF REVENUE

THERE IS ALSO REVENUE THAT IS CONSIDERED ONE-TIME AND CAN COME FROM MULTIPLE SOURCES

- ❑ **Free Cash-** *is a revenue source that results from the calculation, as of July 1, of a community's remaining, unrestricted funds from its operations of the previous fiscal year based on the balance sheet as of June 30.*

TOWN FINANCIAL POLICY

Per the Section C.2 of the Towns Financial Policies for Free Cash Policy it states:

“That Town will seek to maintain Free Cash of 3-5% of the current Fiscal Year’s General Fund Revenue Budget, with the understanding that the goal will be to maintain Free Cash of approximately 4%.”

SOURCES OF REVENUE

THERE IS ALSO REVENUE THAT IS CONSIDERED ONE-TIME AND CAN COME FROM MULTIPLE SOURCES

- ❑ **Reserves/Stabilization Accounts-** *Under state statutes, cities, towns and districts can establish reserve funds to provide for extraordinary or unforeseen expenditures.*

TOWN FINANCIAL POLICY

Per the Section C.1 of the Towns Financial Policies for Reserve Fund/Fund Balance Policies it states:

“No interim or annual budget decision shall be made which would place the Town at material risk of ending the fiscal year with an adjusted reserve ration under 5%.”

PROPERTY TAX ESTIMATE

		FY22 ESTIMATED	
	FY21 ACTUALS	REVENUES WITHOUT OVERRIDE	FY23 Projected
<u>DESCRIPTION</u>			
A. REAL & PERSONAL PROPERTY TAXES			
TOTAL REAL AND PERSONAL PROPERTY TAXES	92,439,625	95,034,227	98,210,083
ALLOWABLE 2 1/2% INCREASE	2,310,991	2,375,856	2,455,252
NEW GROWTH	1,104,005	800,000	800,000
OVERRIDE	-	-	-
DEBT EXCLUSION	13,085,848	13,191,991	13,164,839
TOTAL	108,940,469	111,402,074	114,630,174

LOCAL RECEIPT ESTIMATES

	FY21 ACTUALS	FY22 ESTIMATED REVENUES WITHOUT OVERRIDE	FY23 Projected
DESCRIPTION			
B. TOTAL LOCAL RECEIPTS			
OTHER TAXES			
MV EXCISE	\$ 3,315,051	\$ 3,557,883	\$ 3,692,283
EXCISE (MEALS)	\$ 197,767	\$ 200,000	\$ 234,600
EXCISE (MARIJUANA)		\$ 250,000	\$ 250,000
PENALTIES AND INTEREST	\$ 357,437	\$ 330,000	\$ 330,000
PAYMENT IN LIEU OF TAXES	\$ 35,063	\$ 36,000	\$ 36,000
TOTAL OTHER TAXES	\$ 3,905,317	\$ 4,373,883	\$ 4,542,883
OTHER CHARGES FOR SERVICES			
AMBULANCE RECEIPTS	\$ 720,413	\$ 820,000	\$ 1,020,001
TOTAL FEES	\$ 250,772	\$ 200,000	\$ 200,000
TOTAL OTHER DEPARTMENTAL	\$ 1,193,539	\$ 1,084,669	\$ 1,146,939
TOTAL LICENSES & PERMITS	\$ 1,253,114	\$ 1,563,076	\$ 1,588,750
TOTAL FEES AND FINES	\$ 181,101	\$ 242,177	\$ 244,599
TOTAL INTEREST	\$ 436,171	\$ 250,000	\$ 250,000
TOTAL LOCAL RECEIPTS	\$ 7,940,426	\$ 8,533,805	\$ 8,993,172

STATE AIDE ESTIMATES

		FY22 ESTIMATED	
	FY21 ACTUALS	REVENUES WITHOUT OVERRIDE	FY23 Projected
<u>DESCRIPTION</u>			
D. STATE AID			
SCHOOL AID CHAPTER 70	9,755,929	9,891,949	9,891,949
SCH CONSTR-STATE AID	-	-	-
CHARTER SCHOOL REIMB	27,146	9,054	6,120
GENERAL MUNICIPAL AID	2,397,629	2,481,546	2,531,177
HOMELESS TRANSPORTATION	-	-	-
VETERANS' BENEFITS	22,326	21,800	24,183
LOSS OF TAXES VETERANS, BLIND, SURV SPOUSE	15,562	31,049	34,769
TOTAL STATE AID	12,218,592	12,435,398	12,488,198

OTHER AVAILABLE FUNDS ESTIMATES

	FY21 ACTUALS	FY22 ESTIMATED	FY23 Projected
		REVENUES WITHOUT OVERRIDE	
<u>DESCRIPTION</u>			
C. OTHER AVAILABLE FUNDS			
RECEIPTS RESERVED APPROP-PARKING METERS	90,000	30,000	30,000
TRANS BOND PREMIUM AMORTIZATION	-	-	-
FUND BALANCE ABATEMENT & EXEMPT/OVERLAY	235,000	235,000	300,000
TRANS FROM LIGHT DEPT FOR TAX REDUCTION (PILOT)	1,650,000	150,000	350,000
TRANS FROM WATER FOR OPER COSTS	664,000	519,000	519,000
TRANS FROM SEWER FOR OPER COSTS	519,000	519,000	519,000
TRANS FROM LEFTOVER CAPITAL ITEMS	25,000	260,000	25,000
TRANS FROM PERPETUAL CARE FUND	25,000	27,193	-
CAPITAL ENDOWMENT FUND SPEC PROJ	125,000	125,000	125,000
TRANS FROM GENERAL STABILIZATION	-	-	-
CHAPTER 90 HIGHWAY FUNDS	541,127	541,127	541,127
TRANS FROM RECEIPTS RESERVED	-	-	-
TOTAL OTHER AVAILABLE FUNDS	3,874,127	2,406,320	2,409,127

FREE CASH ESTIMATES

		FY22 ESTIMATED	
	FY21 ACTUALS	REVENUES WITHOUT OVERRIDE	FY23 Projected
<u>DESCRIPTION</u>			
F. FREE CASH			
FREE CASH SUPPORTING RESERVES	\$ -	\$ -	TBD
FREE CASH CAPITAL	\$ -	\$ -	\$ -
FREE CASH SUPPORTING GENERAL OPERATIONS	\$ <u>3,842,667</u>	\$ <u>7,163,925</u>	\$ <u>2,000,000</u>
TOTAL FREE CASH	\$ 3,842,667	\$ 7,163,925	\$ 2,000,000

NEXT STEPS

- Determine ARPA Uses, if any, in the Operating Budget
- Determine Amount of Free Cash to Balance the Budget
- Receive State Aid Number in late January
- Finalize Expense Budgets with All Town Departments