

TOWN OF CHESTER PROPOSED 2022-2023 BUDGET

PUBLIC HEARING May 10, 2022
BUDGET VOTE MAY 24, 2022

ANTICIPATED 2022-2023 REVENUE SOURCES

STATE OF CONNECTICUT

	<u>2021-2022</u>	<u>2022-2023</u>	<u>Variance</u>
• EDUCATION	\$768,000	\$ 910,789	142,789
• GENERAL	<u>\$348,300</u>	<u>\$ 358,342</u>	<u>10,042</u>
	\$1,116,300	\$ 1,269,131	152,831
• TOWN TAXES AND FEES			
• PROPERTY TAXES	\$12,912,343	\$ 13,340,706	\$420,863
• PRIOR YEAR TAXES/INTEREST/FEES	\$140,000	\$132,500	(7,500)
• LICENSES/PERMITS	\$71,700	\$77,900	\$ 6,200
• GENERAL REVENUES	\$420,650	\$478,330	\$57,680
• FROM FUND BALANCE	<u>\$200,000</u>	<u>\$31,233</u>	<u>\$168,767</u>
• ESTIMATED TOTAL REVENUE	\$14,860,993	\$15,329,800	\$468,807

REVENUE IS UP 3.15%

STATE REVENUE

- Chester anticipates state revenue of \$1,269,131 (up \$152,831 from last year) which represents 8.28% of the budget, is an amount based on legislative budget estimates.
- The state proposal is a bit of a moving target, as the Governor's proposal for the '23 budget and the finance and appropriation committees' budget is slightly higher, so it is unclear what the final numbers will be.

SUMMARY OF PROPOSED EXPENDITURES 2022-2023

	<u>2021-2022</u>	<u>2022-2023</u>	<u>Variance</u>	
• TOWN GENERAL GOVERNMENT	\$4,032,929	\$4,392,882	+ 359,953	8.93%
• CAPITAL BUDGET	\$550,500	\$557,515	+ 7,015	1.27%
• Improvements to meeting house & NQP, road repairs				
• CHESTER ELEMENTARY SCHOOL	\$5,150,022	\$5,441,522	+ 291,500	5.56%
• Contractual obligations				
• REGION 4 SCHOOL DISTRICT	<u>\$5,127,542</u>	<u>\$4,937,881</u>	<u>-189,661</u>	3.7%
• Bigger share of students (adm)				
	\$14,860,993	\$15,329,800		

SPENDING INCREASE OF \$468,807 OR 3.15% OVER CURRENT YEAR BUDGET.

BUDGET DRIVERS – INCREASES

- **Chester is financially stable, with a solid emergency fund and up to date maintenance and services. We are always looking for efficiencies and cost savings while prioritizing the health and safety of our residents.**
- 1. CONTRACTUAL OBLIGATIONS FOR TEACHERS AND UNION EMPLOYEES**
 - 2. STUDENT POPULATION STABILIZED, CAUSING GREATER PERCENT SHARE OF EDUCATIONAL BUDGETS**
 - 3. CONTINUED TREE SAFETY – EMERALD ASH BORER, GYPSY MOTH AND DROUGHT DAMAGE**
 - 4. INFRASTRUCTURE MAINTENANCE AND REPLACEMENT (ROOF REPLACEMENT, MAJOR MECHANICALS, ETC.)**
 - 5. REORGANIZATION OF SOME STAFF AND NEW POSITIONS – GROUNDSKEEPER, LAND USE, ZONING ENFORCEMENT & CLERICAL**

BUDGET DRIVERS - DECREASES

- **DECREASED MEDICAL INSURANCE COST**
- **RESTRUCTURING OF ASSESSOR OFFICE**
- **SAVINGS FROM LED STREETLIGHTS AND OTHER ENERGY EFFICIENCY PROJECTS**
- **DECREASED LEGAL COSTS IN ZONING BUDGET**

CAPITAL BUDGET:

- The Capital Budget allows the town to set aside funds for major purchases and maintenance of infrastructure. Underfunding the Capital Budget means deferring this maintenance and can lead to higher and unexpected repair or replacement costs.
- We continue to analyze infrastructure needs, looking forward 5-10 years, including:
 1. Protection and maintenance of the watershed and natural resources
 2. Continuing energy and money saving projects
 3. Vehicle replacements – fire department and public works
 4. Roads/dams/drainage/culvert maintenance and repair, including parking lots
 5. Maintenance of Town Buildings, including major mechanical and roof replacements

		Capital Budget Updated 4/27/2021								
		Balance 4/30/21	Balance	Proposed	Fiscal	Fiscal	Fiscal	Fiscal	Fiscal	
Department	Capital Project Title	2020-2021	Authorized	Transfers	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	Total
Board of Select.	Assigned	\$201,355	\$0	-\$200,000	\$0	\$0	\$0	\$0	\$0	\$1,355
Board of Select.	Cedar Lake/Watershed	\$10,562	\$10,562		\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$50,562
Board of Select.	Town Hall - Computer Replacement	\$27,477	\$27,477		\$20,000	\$21,000	\$22,000	\$23,000	\$23,000	\$136,477
Assessor	Revaluation	\$33,000	\$0		\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$83,000
Public Works	Highway Equipment	\$165,494	\$17,173		\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$540,494
Infrastructure	Main Street Project	\$48,260	\$48,260		\$0	TBD	TBD	TBD	TBD	\$48,260
Infrastructure	Energy Efficient Projects	\$17,204	\$2,204		\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$54,704
Infrastructure	Road/Sidewalk/Bridge Repairs	\$166,806	\$166,806	\$200,000	\$100,000	\$300,000	\$300,000	\$305,000	\$310,000	\$1,681,806
Infrastructure	Maple Street Parking Lot & Walkway	\$1,985	\$1,985		\$0	\$0	\$0	\$0	\$0	\$1,985
Infrastructure	North Quarter Park/Playground	\$6,498	\$6,498		\$15,000	\$22,500	\$22,500	\$22,500	\$0	\$88,998
Infrastructure	Tree Removal	\$35,729	\$35,729		\$80,000	\$70,000	\$70,000	\$70,000	\$50,000	\$375,729
Infrastructure	NRCS Matching Funds	\$18,373	\$18,373		\$0	\$0	\$0	\$0	\$0	\$18,373
Infrastructure	Chester Creek Funding	\$25,000	\$25,000		\$0	\$0	\$0	\$0	\$0	\$25,000
Buildings	Town Buildings – Repairs/Code Compliance	\$54,246	\$50,900		\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$379,246
Fire	Ambulance Replacement	\$19,473	\$4,473		\$15,000	\$25,000	\$30,000	\$30,000	\$30,000	\$149,473
Fire	Truck Replacement	\$556,914	\$90,441		\$75,000	\$75,000	\$80,000	\$85,000	\$90,000	\$961,914
Fire	Equipment Replacement	\$63,797	\$63,797		\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$288,797
Fire	Parking Lot	\$0	\$0		\$0	\$10,000	\$20,000	\$25,000	\$25,000	\$80,000
School	Project Adventure	\$10,000	\$10,000		\$15,000	\$12,000	\$0	\$0	\$0	\$37,000
School	Paving and Sidewalks	\$0	\$0		\$10,000	\$22,000	\$22,000	\$23,000	\$23,000	\$100,000
School	Generator	\$0	\$0		\$0	\$20,000	\$20,000	\$20,000	\$20,000	\$80,000
School	Oil Tank Replacement	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
School	Building Rehab & Enhancement	\$40,000	\$10,000		\$10,000	\$13,000	\$13,000	\$20,000	\$20,000	\$116,000
		\$1,502,174	\$589,679	\$0	\$550,500	\$801,000	\$810,000	\$834,000	\$801,500	\$5,299,174

*Assumes pre-funding capital in the amount of \$200,000 from the general fund for fiscal year 20/21

What is a Grand List? The Grand List is the aggregate valuation of all of the taxable property within the town. It includes real estate, personal property, vehicles, and business property such as computers and desks.

Our current grand list is: \$457,951,707

Value of a mil is: \$452,227

Based on current mil rate (29.5) tax revenue would equal \$13,340,706.

The Board of Finance bases our estimated tax revenue on a collection rate of 98.75%.

BOS/BOF use of surplus to prefund capital in addition to increased revenue.

PROPOSED NEW MIL RATE

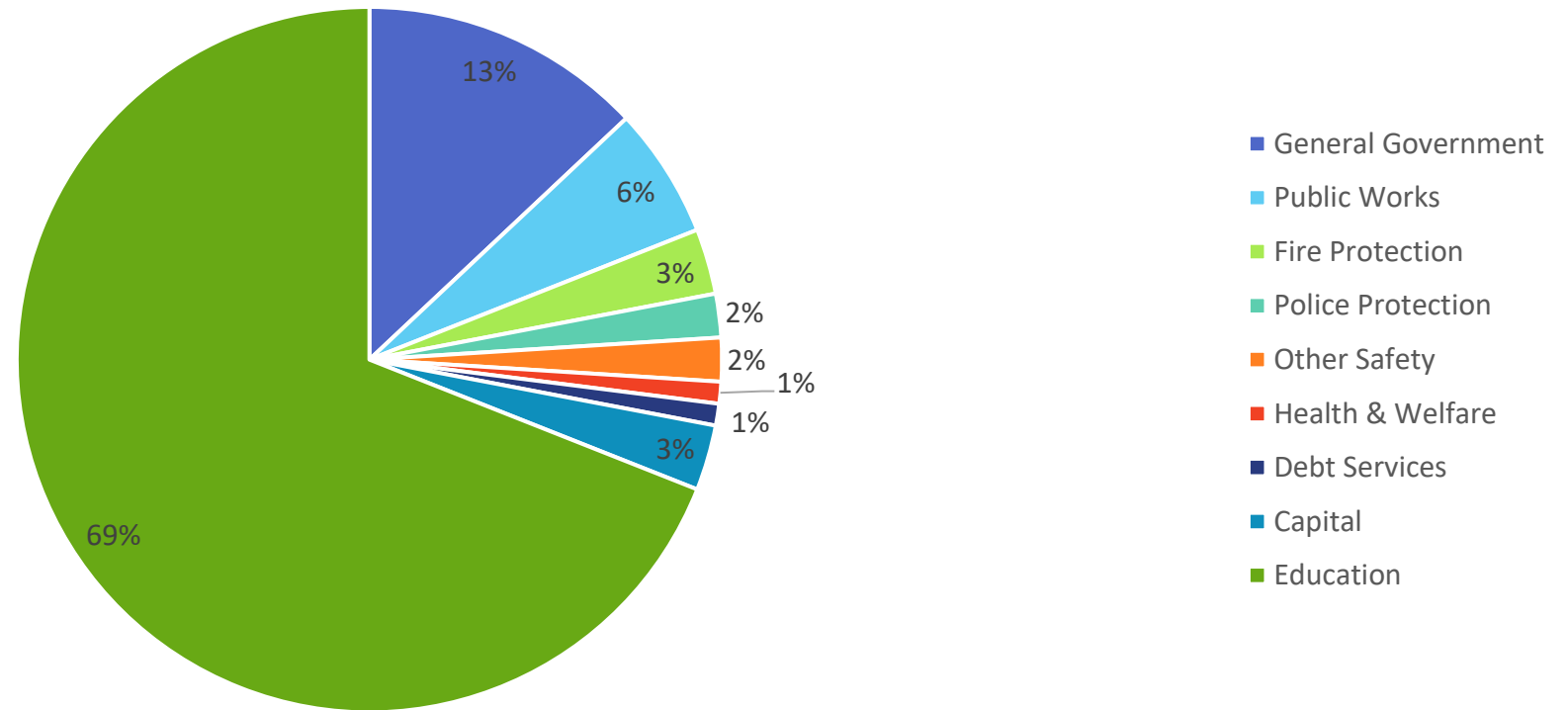
29.50 or 0% INCREASE

WHAT IS A MIL?

A mil represents \$1.00 of tax paid on \$1,000 in property assessment. To calculate the tax, multiply the assessed value of the property times the mil rate and then divide by 1000. The **proposed** mil rate is 29.50, meaning that each property owner is taxed \$29.50 on each \$1,000 of assessed property.

- **The proposed new mil rate for 2022-2023 is \$29.50**
- Real Property is taxed at 70% of the appraised property value.

What do your mils buy?



RECENT ACCOMPLISHMENTS

- Construction & Completion of Main Street Project Phase III and improvement of connecting streets
- Repair and Cleaning of stone walls including Chester Wall & flagpole at Maple and Main
- Much needed tree work and planting bed maintenance at Laurel Hill Cemetery and the Chester Meeting House
- Upgrades to parking and recreational opportunities in North Quarter Park
- Long Term Recovery Committee – incredible efforts on all aspects of pandemic assistance including business support, arts and cultural adaptations, and a massive effort to provide support to residents in accessing COVID-19 vaccines
- Improvement and rehab of affordable housing at Cherry Hill through a Small Cities grant of \$800,000

Looking Ahead:

- Continued restoration of waterways damaged by Sep '18 flood
- Exploration of trail development/boardwalk between NQP and Village
- Online system for land use permitting and online payment of taxes and recreational fees
- Continued efforts to respond to significant tree die-off due to Emerald Ash Borer and Gypsy Moth infestations
- Installation of public WIFI in Chester Center
- Environmental review completion and sale of Kenyon property on Winthrop Road
- Continued post pandemic recovery and resiliency efforts throughout Chester
- Sustainable CT certification
- Plans for compliance and planning for diversification of housing and equity in Chester