



# Town of East Hartford

## BUDGET PRESENTATION

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**FY 2023-2024**

## ➤ 2024 BUDGET INFORMATION

- Mayor's Recommended Budget
- Additional Analysis
- Tax Analysis
- New Initiatives

**[WWW.EASTHARTFORDCT.GOV](http://WWW.EASTHARTFORDCT.GOV)**



# ➤ FY 2024 TOWN OF EAST HARTFORD BUDGET

- **What is a municipal budget?**
- It is both a financial plan and a policy document that outlines what the unit of government plans to accomplish.
- It should set the organization up for operational, service and financial success.
- It should responsibly fund our obligations while balancing the ability pay of the constituents we serve.
- East Hartford's budget funds: education, full-time police and fire, EMS, health and social services, parks and recreation programming, family and youth support, town sponsored entertainment and recreation, leaf collection, waste collection, snow removal, road paving, capitol improvements, library services, senior services, upkeep of town owned facilities, maintenance of town parks and pools, boards and commissions, pensions and OPEB, town employee wage and salaries, town employee benefits.
- Total FY24 Mayor's Recommended Budget: **\$211,748,322**



# ➤ **FY2024 BUDGET BREAK DOWN: QUICK FACTS**

**Total revenue: \$211,748,322**

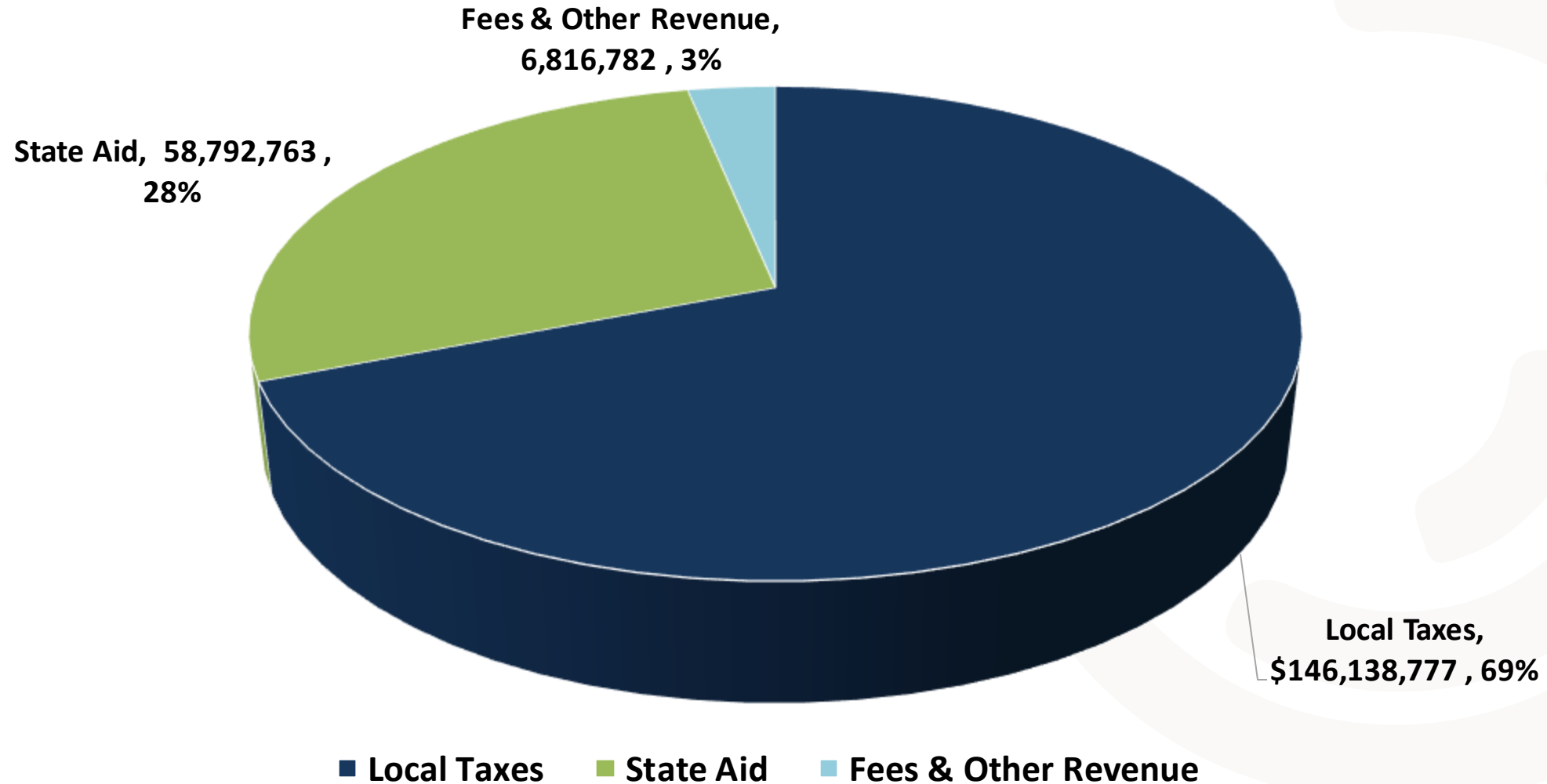
- Largest source of revenue: Local taxes @ **\$141.4 Million**
- Net Grand List as of October 1, **2022: \$3.4 Billion**

**Total expenditures: \$211,748,322**

- Largest expenditure: Education @ **\$98.23 Million**
- Unassigned Fund Balance ("Town's Reserves"): **\$19.9 Million**
- Real Estate and Personal Property: **43.00**
- MV Mill Rate: **32.46**
- Taxes generated: **\$141.4 Million**
- Town pension account balance as of 1/31: **\$240.3 Million (48% Funded)**
- OPEB account balance as of 1/31: **\$13.8 Million (10% of \$139M UAL Funded)**  
(*Other Post-Employment Benefits*)

# ➤ REVENUE OUTLOOK

## FY 24 REVENUES





## ➤ **FY 2024 NOTABLE REVENUE ITEMS**

### **\$1.4 Million reduction in Intergovernmental / Municipal Aid**

- PILOT State Property revenue receipts – Decrease of **\$467,000**
- Distressed Municipalities - Decrease of **\$625,000**
- Motor Vehicle Mill Rate Grant – Decrease of **\$484,000**

### **\$400,000 Increase in Other Miscellaneous Income**

- Interest Income on investments – due to favorable interest rate environment

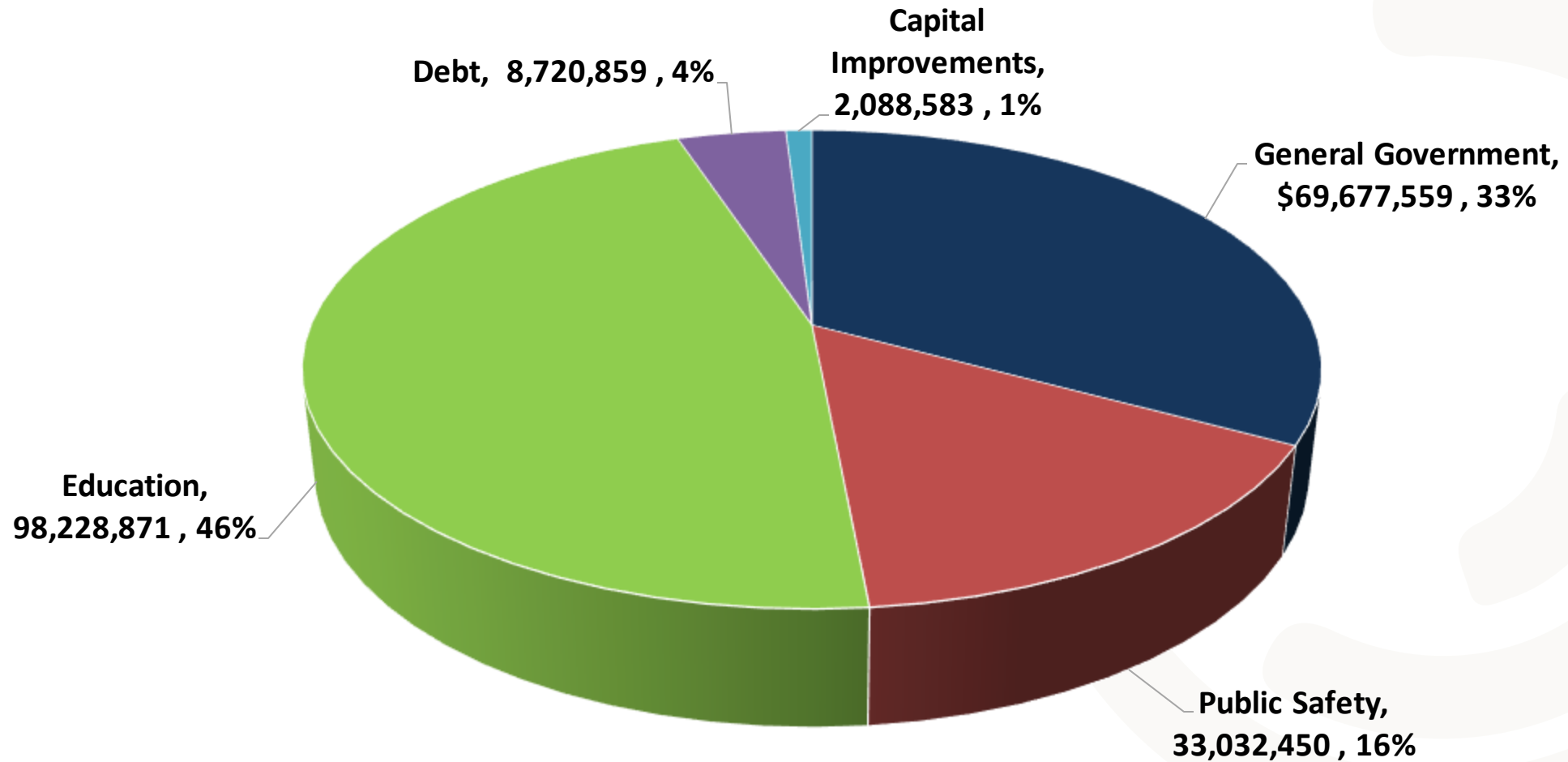
### **\$8.3 Million of new revenue for Property Taxes**

- Mill Rate from 41.00 to 43.00 mills
- Includes updated reserve estimate for revaluation reserve of pending civil cases for GL 2021 and other property modifications.



# ➤ EXPENDITURES

## GENERAL FUND BUDGET



■ General Government ■ Public Safety ■ Education ■ Debt ■ Capital Improvements



## ➤ FY 2024 NOTABLE EXPENDITURE ITEMS

**\$7.3 Million** of expenditure adjustments:

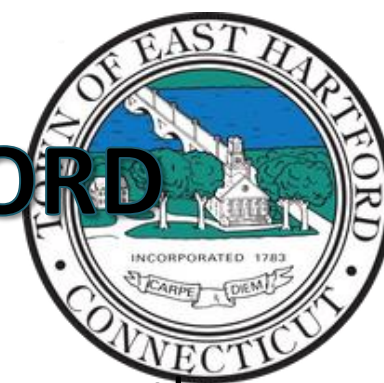
- Contribution to BOE – Increase of **\$2.2 Million**
- Pension Costs of **\$1.2 Million** to fund the actuarially determined contribution (ADC) at 7.25%
- Annual OPEB Contribution – Increase of **\$700,000**
- Medical Reserve Contribution reduced by **\$500,000**. Current balance @ **\$12.1 Million**
- Debt Service - Increased by **\$615,000, net of debt service reserve contribution**
- Utilities for electricity, fuel and natural gas and Tipping Fees to dispose waste increased by **\$700,000**
- Contractual collective bargaining wage increases of 2% - **\$1,000,000** offset by other savings



# ➤ MILL RATE IMPACT



	The Town of East Hartford: Real Estate Property Value			
<b>Market Value:</b>	\$ 100,000	\$ 200,000	\$ 300,000	\$ 380,000
<b>Assessed Value:</b>	\$ 70,000	\$ 140,000	\$ 210,000	\$ 266,000
FY23 Tax Bill @ 41.00 mills	\$ 2,870	\$ 5,740	\$ 8,610	\$ 10,906
FY24 Tax Bill @ 43.00 mills	\$ 3,010	\$ 6,020	\$ 9,030	\$ 11,438
<b>Net Tax Increase</b>	<b>\$ 140</b>	<b>\$ 280</b>	<b>\$ 420</b>	<b>\$ 532</b>
<b>\$ Tax Increase</b>	<b>4.9%</b>	<b>4.9%</b>	<b>4.9%</b>	<b>4.9%</b>



# ➤ FY 2024 SUMMARY – A STRONG EAST HARTFORD

## The Town of East Hartford:

- Has a positive outlook and is on a path of strategic development, which will grow the grand list, strengthen the Town and generate new tax revenue in future years.
- Is under incredible inflationary pressure in services and goods, like the State and other CT municipalities.
- Recognizes that non-tax revenues are down.
- Must fund our obligations and make progress in addressing structural change. **These are the principles of strong financial governance.**

***The FY24 Mayor's Recommended Budget funds critical obligations and invests in our Town and community by funding the services that our residents and businesses rely upon.***



# THANK YOU!

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