



Town of Tolland
Proposed Fiscal Year 2024/2025
Budget

Budget Referendum Tuesday, June 18, 2024
6:00 am – 8:00 pm
To Be Held in the Library Program Room
21 Tolland Green (Lot C)

**“Shall the Town of Tolland’s proposed
2024-2025 budget of \$63,665,940, reflecting
a spending increase of \$2,114,583 or 3.44% which requires an
estimated tax rate of 37.77 mills for an increase of .44 mills or 1.18%
be adopted?” Yes/No”**

Overview:

Tolland’s budget is being impacted by increasing Expenditures partially offset by local revenue increases. Spending is increasing by \$2,114,583 while non-tax revenue is also increasing \$1,210,623 over last year’s budget. This includes an increase of \$180,150 in the State reimbursement of motor vehicle tax difference for the lower mill rate cap, an increase in investment income of \$456,375, increases and decreases in other revenues and the impact of the hold harmless allowance in the Education Cost Sharing grant of \$175,378. This revenue also includes an additional \$100,000 from undesignated fund balance and \$300,000 from the Municipal Tax Stabilization Fund. As of this referendum, the Board of Education request was reduced by an additional \$645,000, totaling \$1,208,500 in reductions since the Town Manager proposed budget. The General Government Budget has also been reduced a total of \$115,000.

Budget Summary:

Budget Area	Adopted Budget FY 23-24	Requested Budget FY 24-25	% Change
General Government	\$13,542,051	\$14,029,408	3.60%*
Board of Education	\$42,989,855	\$43,862,648	2.03%*
Capital Improvements	\$319,451	\$397,395	24.40%
Debt Service	\$4,700,000	\$5,376,489	14.39%*
Total	\$61,551,357	\$63,665,940	3.44%

(*The USIF energy payment was reclassified from the Board of Education (\$649,429) and Town (\$27,060) to the Debt account (\$676,489). This transfer has no impact on the mill rate. The overall spending increase is 3.44% no matter where these expenditures are budgeted.)

The result is an estimated mill rate of 37.77 mills or an increase of .44 mills or 1.18%. The motor vehicle mill rate will remain capped at 32.46 mills. Increases in the Grand List, State funding and non-tax revenues have allowed for a lesser impact on the mill rate.

Revenue (Tolland’s income):

Services provided by the Town are funded primarily by property taxes which make up approximately 80% of revenues. The Grand List, on which property taxes are based, increased by \$8,937,405 or .66%, over last year. Tolland was fortunate to see an increase of .89% in real estate values, 11.06% increase in personal property. Motor vehicle values decreased by 3.79%.

State aid provides approximately 16.54% of Tolland’s Revenues. There is an increase of \$175,818 from Education grants and an increase of \$184,930 non-education State grants.

Permits, fees, interest, use of fund balance and other minor sources of income make up approximately 3.07% of revenues.

Fund Balance (Tolland’s savings account):

This budget will utilize \$300,000 of unassigned fund balance and will reduce the estimated year end FY 2023-24 unassigned fund balance to \$11,656,512 or an estimated 17.09% of the Generally Accepted Accounting Principles (GAAP) basis expenditures.

The Town Council adopted a policy in accordance with good management principles which requires that the fund balance stay above 10% of GAAP expenditures.

To calculate your own estimated tax, please go to <http://gis.vgsi.com/tollandct/> to obtain your home’s assessed value. Your home’s assessed value times .03777 will equal next year’s estimated tax. To assist in this calculation you may go to the Town’s website for the Tax Calculation Form: <https://www.tollandct.gov/tax-department/pages/tax-calculation-form-real-estate-personal-property>. To calculate your estimated tax on your vehicle you will need to multiply your vehicle’s assessed value by .03246. This rate remains the same as the previous fiscal year. The State Legislation caps this mill rate.

Estimated Tax Impact:

Market Value	Taxable Assessment	23-24 Property Tax	Proposed 24-25 Property Tax	CHANGE
\$285,714	\$200,000	\$ 7,466	\$ 7,554	\$88
\$357,143	\$250,000	\$ 9,333	\$ 9,443	\$110
\$428,571	\$300,000	\$11,199	\$11,331	\$132
\$500,000	\$350,000	\$13,066	\$13,220	\$154
\$571,429	\$400,000	\$14,932	\$15,108	\$176
\$642,857	\$450,000	\$16,799	\$16,997	\$198
\$714,286	\$500,000	\$18,665	\$18,885	\$220

For more detailed information, please visit Tolland’s website:

<https://www.tollandct.gov/finance-department/pages/2024-2025-budget-information> and/or subscribe to Tolland’s Notification System.

Questions or concerns, email: towncouncil@tollandct.gov or call Tolland’s Town Manager, Brian Foley at (860) 871-3600.