

**TOWN OF FARMINGTON
FINANCIAL FORECAST
WITH 1928 BUILDING PROJECT
\$9.0 MILLION
BOND ISSUE (20 YEARS)
FY 24/25-FY 32/33**

NOTE: The following report and forecasts were prepared by the Town of Farmington Finance Department using historical data and certain financial assumptions. This forecast is a planning document and is updated on an ongoing basis as needed.

The following financial assumptions were used for this forecast:

Expenditures

Education: 3.18% increase each year

Town: 3.03% increase each year

BOE Pensions: Contributions to the BOE Defined Benefit Employee Retirement Plan are projected to increase on average 15% per year.

Debt Service: Existing and future debt issuance is based on the Town's seven-year Capital Improvement Plan (CIP) and the projected net municipal cost to build the new Farmington High School.

\$9.0 Million Bond Issue: The anticipated cost to renovate the 1928 portion of the existing Farmington High School into town offices is \$16.0 million. Currently the intent is to use \$7.0 million in American Rescue Plan Act (ARPA) funds to partially pay for the project. The balance of the funds needed to pay for the project would come from one bond issue totaling \$9.0 million. The bonds would be issued in the winter of 2026 so that repayment of the debt would begin in FY2026/2027.

The bonds would mature in 20 years. The projected gross interest rate is 4.25% and the net interest rate is projected to be 3.75%

View the Bond Amortization Schedule for the Bond Issue.

Capital Improvements: The financial forecast uses the Seven-Year Capital Improvement Plan that is included in the [FY 2022- 2023 Adopted Budget](#) which was approved at referendum on April 28, 2022.

Grand List

Overall, the grand list is projected to increase by .77% per year. By category projected growth is:

Real Estate: Projected to increase by .61% per year; Projection is based on a 10-year rolling average.

Personal Property: Projected to increase by 2.5% per year. Projection is based on a 10-year rolling average.

Motor Vehicles: Projected to increase by 1.15% per year. Projection is based on a 10-year rolling average.

Revenues: The non-property tax revenues changes in the financial forecast are based on a 10-year rolling average.

**FINANCIAL FORECAST WITH 1928 BUILDING AT \$9.0 MILLION
(20 YEARS)**

		FY24/25	FY25/26	FY26/27	FY27/28	
		Projected	Projected	Projected	Projected	
		Budget	Budget	Budget	Budget	
EXPENDITURES						
Education		79,112,501	81,628,279	84,224,058	86,902,383	
Town		35,079,579	36,142,490	37,237,607	38,365,907	
BOE Pensions		402,500	482,060	563,060	634,060	
Debt Service		12,993,179	15,414,441	15,070,884	15,689,282	
1928 Building (\$9.0)		-	-	682,500	663,375	
Capital Improvements		3,742,613	3,882,696	3,978,134	4,107,716	
	Total	131,330,372	137,549,966	141,756,243	146,362,723	
GRAND LIST						
Real Estate		3,939,132,637	3,963,161,346	3,987,336,630	4,011,659,383	
Personal Property		262,073,634	268,704,097	275,502,310	282,472,519	
Motor Vehicles		329,498,185	333,287,415	337,120,220	340,997,102	
	Total	4,530,704,456	4,565,152,857	4,599,959,160	4,635,129,004	
REVENUES						
Other Property Taxes		1,537,752	1,568,507	1,599,877	1,631,875	
Licenses and Permits		990,345	1,022,036	1,057,807	1,094,831	
Fines and Penalties		16,000	16,000	17,500	18,500	
Interest		275,000	225,000	200,000	175,000	
Grants		6,984,245	7,116,247	7,250,744	7,387,783	
Service Charges		1,567,984	1,605,616	1,644,150	1,683,610	
Other		765,800	762,637	759,473	756,310	
Westwoods Contribution		320,000	320,000	320,000	320,000	
Fund Balance		-	-	-	-	
	Total	12,457,126	12,636,042	12,849,552	13,067,908	
TAX & MILL RATE						
Tax Levy		\$ 119,623,246	\$ 125,663,923	\$ 129,656,691	\$ 134,044,815	
Mill Rate		26.50	27.62	28.29	29.02	
Mill Rate Change		1.00	1.12	0.66	0.74	
% Change		3.91%	4.24%	2.40%	2.60%	
Avg Residential Assessment		\$ 301,433	\$ 301,433	\$ 301,433	\$ 301,433	
Real Estate Taxes		\$ 7,988.23	\$ 8,326.62	\$ 8,526.18	\$ 8,747.86	
Dollar Increase		300.28	338.39	199.56	221.68	
Percent Increase		3.91%	4.24%	2.40%	2.60%	
Increase Due to 1928 Building			0.00	44.88	-1.59	
Debt to Budget		9.9%	11.2%	11.1%	11.2%	

**FINANCIAL FORECAST WITH 1928 BUILDING AT \$9.0 MILLION
(20 YEARS)**

		FY28/29	FY29/30	FY30/31	FY31/32
		Projected	Projected	Projected	Projected
		Budget	Budget	Budget	Budget
EXPENDITURES					
Education		89,665,879	92,517,254	95,459,303	98,494,908
Town		39,528,394	40,726,104	41,960,105	43,231,496
BOE Pensions		705,060	776,060	847,060	918,060
Debt Service		15,627,048	15,457,287	15,112,991	14,670,773
1928 Building (\$9.0)		794,250	775,125	756,000	736,875
Capital Improvements		4,226,678	4,343,618	4,465,349	4,588,087
	Total	150,547,309	154,595,448	158,600,808	162,640,200
GRAND LIST					
Real Estate		4,036,130,506	4,060,750,902	4,085,521,482	4,110,443,163
Personal Property		289,619,073	296,946,436	304,459,181	312,161,998
Motor Vehicles		344,918,569	348,885,133	352,897,312	356,955,631
	Total	4,670,668,148	4,706,582,470	4,742,877,975	4,779,560,792
REVENUES					
Other Property Taxes		1,664,512	1,697,802	1,731,759	1,766,394
Licenses and Permits		1,133,150	1,172,810	1,213,858	1,256,343
Fines and Penalties		18,500	18,500	18,500	18,500
Interest		175,000	150,000	150,000	135,000
Grants		7,527,412	7,669,680	7,814,637	7,962,334
Service Charges		1,724,017	1,765,393	1,807,762	1,851,149
Other		753,146	749,983	746,819	743,656
Westwoods Contribution		320,000	320,000	320,000	320,000
Fund Balance		-	-	-	-
	Total	13,315,737	13,544,169	13,803,335	14,053,375
TAX & MILL RATE					
Tax Levy	\$	137,981,572	\$ 141,801,279	\$ 145,547,472	\$ 149,336,824
Mill Rate		29.65	30.23	30.80	31.35
Mill Rate Change		0.63	0.59	0.56	0.56
% Change		2.15%	1.98%	1.86%	1.82%
Avg Residential Assessment	\$	301,433	\$ 301,433	\$ 301,433	\$ 301,433
Real Estate Taxes	\$	8,936.26	\$ 9,113.56	\$ 9,282.74	\$ 9,451.32
Dollar Increase		188.40	177.30	169.18	168.58
Percent Increase		2.15%	1.98%	1.86%	1.82%
Increase Due to 1928 Buildin		5.29	-2.03	-1.60	-1.58
Debt to Budget		10.9%	10.5%	10.0%	9.5%

**FINANCIAL FORECAST WITH 1928 BUILDING AT \$9.0 MILLION
(20 YEARS)**

			FY32/33
			Projected
			Budget
EXPENDITURES			
Education			101,627,047
Town			44,541,411
BOE Pensions			989,060
Debt Service			14,017,714
1928 Building (\$9.0)			717,750
Capital Improvements			4,708,569
	Total		166,601,550
GRAND LIST			
Real Estate			4,135,516,867
Personal Property			320,059,697
Motor Vehicles			361,060,620
	Total		4,816,637,184
REVENUES			
Other Property Taxes			1,801,722
Licenses and Permits			1,300,315
Fines and Penalties			18,500
Interest			125,000
Grants			8,112,822
Service Charges			1,895,576
Other			740,492
Westwoods Contribution			320,000
Fund Balance			
	Total		14,314,427
TAX & MILL RATE			
Tax Levy		\$	153,037,123
Mill Rate			31.88
Mill Rate Change			0.53
% Change			1.69%
Avg Residential Assessment		\$	301,433
Real Estate Taxes		\$	9,610.95
Dollar Increase			159.63
Percent Increase			1.69%
Increase Due to 1928 Buildin			-1.56
Debt to Budget			8.8%