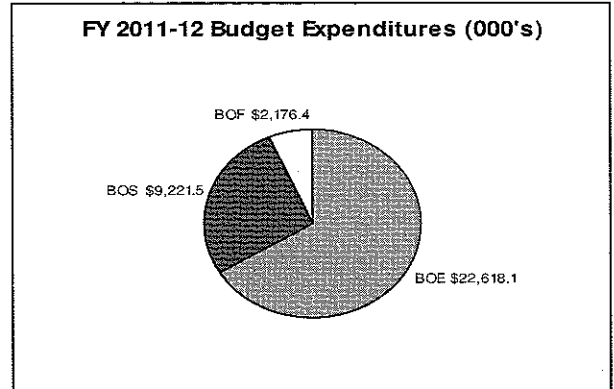


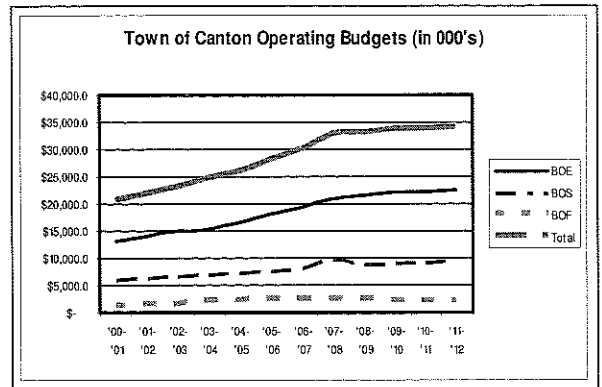
The Board of Finance forwards the enclosed Recommended Town Budget for fiscal year 2011/12 to the voters. This recommended budget will be presented and voted upon at the Annual Budget Meeting on Thursday, May 26, 2011 beginning at 7:30 p.m. in the Canton Middle/High School auditorium.

The Board of Finance commends the Board of Education and Board of Selectman for their diligent efforts in prudently developing their budgets in light of the current economic conditions.

The Board of Selectmen requested \$9,314,852 a 2.5% increase, and the Board of Education requested \$22,904,566 a 2.8% increase. The Board of Finance met separately with each board in March and April to review the budgets in detail. A public hearing was held on Thursday, April 7, 2011 at which time approximately 15 taxpayers spoke on various line items and on the budget as a whole. On April 13, 2011 and May 9, 2011 the Board of Finance met to review the budget. The BOF reduced the BOS Budget by \$93,290 and the BOE Budget by \$286,500. After extensive discussions, the Board of Finance voted 4-2 to approve a .9% overall budget increase.

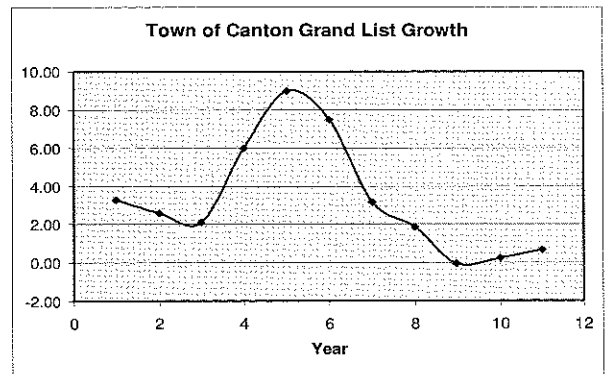


The Board of Finance continues to project level grand list and investment income with reductions in state funding. The Board of Finance projects increased contractual obligations for both Board of Selectmen and Board of Education Budgets for subsequent years. Faced with declining revenues and increasing expenses the Board of Finance chose to increase taxes .73% or .19 mills in addition to reducing the submitted budgets. This will result in a projected \$48 increase for the average taxpayer.



The Board wishes to call your attention to the following points:

The Grand List of October 1, 2010 increased .68%. The chart at the right shows Grand List growth. Healthy Grand List growth allows for greater revenue to be utilized by the Town and our schools.



For FY 2011/12 the BOF has established funding levels for the Medical Self Insurance Account at 100% of expected claims and Pension funding at 100% of the recommended amount. The BOF target level of funding for the medical self-insurance reserve is approximately 4 months of claims.

The State of Connecticut continues to under fund Canton for Education grants-in-aid and Town Aid for Roads.

In addition, the State and Federal Governments continue to force costly mandates on the community requiring precious tax dollars.

To affect real change in our Town Budget the BOF urges you to contact your State Representative and Senator.

The funds requested here are needed to provide town services at committed levels. The BOF considers both the Board of Education and the Board of Selectman's submitted budgets to be fiscally responsible. Therefore, the Board urges you to attend the Town Meeting on Thursday, May 26<sup>th</sup>.

**BUDGET DETAIL - REVENUES**

	Audited Actual FY 2009/10	Revised Budget FY 2010/11	Proposed Budget FY 2010/11
<b>PROPERTY TAXES</b>			
Current year taxes (including motor vehicle supplemental)	\$ 28,097,426	\$ 28,650,174	\$ 29,044,499
Prior years' tax collections	\$ 156,376	\$ 150,000	\$ 140,000
Interest & liens	\$ 143,587	\$ 100,000	\$ 100,000
Total - Property Taxes	\$ 28,397,389	\$ 28,900,174	\$ 29,284,499
<b>LICENSES, PERMITS &amp; FEES</b>	\$ 306,637	\$ 284,375	\$ 282,798
<b>INTERGOVERNMENTAL REVENUE</b>			
Equalized Cost Sharing/Pupil Transportation	\$ 2,934,490	\$ 3,420,443	\$ 3,393,437
School Bond Subsidy	\$ 204,554	\$ 203,716	\$ 185,350
Town Aid Roads	\$ 130,159	\$ 130,160	\$ 130,160
Property Tax Programs	\$ 104,233	\$ 107,897	\$ 96,500
Mashantucket Pequot/Mohegan Indian Funds	\$ 21,399	\$ 20,279	\$ 21,474
Other Revenues	\$ 911	\$ 1,750	\$ 5,900
Total - Intergovernmental Revenue	\$ 3,395,746	\$ 3,884,245	\$ 3,832,821
<b>LOCAL DEPARTMENT REVENUE</b>			
Town Clerk	\$ 183,824	\$ 185,000	\$ 190,000
Police Department	\$ 13,852	\$ 4,800	\$ 4,800
Parks and Recreation	\$ 48,103	\$ 36,600	\$ 40,600
Solid Waste Fees, Rebates & Permits	\$ 201,817	\$ 269,500	\$ 271,500
Library	\$ 19,083	\$ 17,340	\$ 16,015
Charges for Services	\$ 6,472	\$ 7,895	\$ 23,945
Miscellaneous Receipts	\$ 72,983	\$ 26,500	\$ 27,500
Total - Local Departmental Revenue	\$ 546,134	\$ 547,635	\$ 574,360
<b>INVESTMENT INCOME</b>	\$ 42,589	\$ 40,000	\$ 41,500
<b>USE OF UNDESIGNATED FUND BALANCE</b>	\$ -	\$ 46,045	\$ -
<b>OTHER FINANCING SOURCES</b>	\$ 1,260	\$ -	\$ -
Total - General Fund Revenues	\$ 32,689,755	\$ 33,702,474	\$ 34,015,978
<b>SPECIAL REVENUE FUNDS</b>			
Park & Recreation Fund	\$ 159,485	\$ 193,670	\$ 193,700
Water Pollution Control Authority (Sewers)	\$ 820,311	\$ 817,500	\$ 785,000
Emergency Medical Services Fund	\$ 315,929	\$ 323,623	\$ 340,825
Total - Special Revenue Fund Revenues	\$ 1,295,725	\$ 1,334,793	\$ 1,319,525
<b>GRAND LIST OF TAXABLE PROPERTY</b>			
	<b>Oct. 1, 2008</b>	<b>Oct. 1, 2009</b>	<b>Oct. 1, 2010</b>
Real Estate	\$ 997,780,980	\$ 1,000,304,040	\$ 1,005,870,870
Personal Property	\$ 40,188,160	\$ 40,184,710	\$ 38,942,620
Motor Vehicles	\$ 72,977,695	\$ 73,111,883	\$ 76,411,446
Less Adjustments by Board of Assessment Appeals			
Total - Net Grand List	\$ 1,110,946,835	\$ 1,113,600,633	\$ 1,121,224,936
<b>MIL RATE</b>	25.64	26.09	26.28

**BUDGET DETAIL - EXPENDITURES**

	Audited Actual FY 2009/10	Revised Budget FY 2010/11	Proposed Budget FY 2011/12
<b>BOARD OF EDUCATION</b>			
Employee Salaries	\$ 13,638,667	\$ 14,367,164	\$ 14,609,587
Employee Benefits	\$ 3,203,492	\$ 3,581,219	\$ 3,878,596
Purchased Services	\$ 1,183,581	\$ 1,159,909	\$ 1,120,002
Property Services	\$ 1,015,353	\$ 963,594	\$ 885,113
Transportation	\$ 1,181,080	\$ 1,209,895	\$ 1,204,400
Other Purchased Services	\$ 208,987	\$ 96,932	\$ 255,804
Supplies	\$ 719,829	\$ 729,842	\$ 588,611
Equipment	\$ 456,867	\$ 175,254	\$ 162,453
CIP	\$ 228,999	\$ -	\$ 200,000
Less Reduction by BOF		\$ -	\$ (286,500)
Total - Board of Education	\$ 21,836,855	\$ 22,283,809	\$ 22,618,066
<b>BOARD OF SELECTMEN</b>			
General Government	\$ 941,564	\$ 807,080	\$ 907,090
Finance	\$ 385,755	\$ 425,116	\$ 423,911
Police	\$ 1,631,471	\$ 1,732,380	\$ 1,742,561
Fire Service & Other Public Safety	\$ 391,640	\$ 454,693	\$ 412,124
Public Works	\$ 2,032,984	\$ 2,001,094	\$ 1,866,250
Human Services	\$ 899,221	\$ 932,460	\$ 947,521
Planning & Community Development	\$ 301,678	\$ 289,891	\$ 287,309
Insurance	\$ 243,542	\$ 291,705	\$ 242,302
Health Insurance & Employee Benefits	\$ 1,452,716	\$ 1,745,864	\$ 1,745,784
Capital Improvement	\$ 657,427	\$ 405,000	\$ 740,000
Less Reduction by Board of Finance	\$ -	\$ -	\$ (93,290)
Total - Board of Selectmen	\$ 8,937,998	\$ 9,085,283	\$ 9,221,562
<b>BOARD OF FINANCE</b>			
Administrative Costs, Debt Issuance and Auditing Services	\$ 37,998	\$ 39,350	\$ 40,350
Reserve Fund for Capital & Non-Recurring Expenditures	\$ -	\$ 77,000	\$ 65,000
Contingency	\$ -	\$ -	\$ -
Self-Insurance Fund - Contribution	\$ -	\$ -	\$ -
Debt Service - Interest	\$ 532,769	\$ 472,032	\$ 411,000
Debt Service - Principal	\$ 1,735,000	\$ 1,745,000	\$ 1,660,000
Total - Board of Finance	\$ 2,305,767	\$ 2,333,382	\$ 2,176,350
Total - General Fund Expenditures	\$ 33,080,620	\$ 33,702,474	\$ 34,015,978
<b>SPECIAL REVENUE FUNDS</b>			
Park & Recreation Fund	\$ 141,317	\$ 193,670	\$ 187,645
Water Pollution Control Authority (Sewers)	\$ 774,097	\$ 776,261	\$ 759,501
Emergency Medical Services Fund	\$ 303,958	\$ 323,623	\$ 340,825
Total - Special Revenue Fund Expenditures	\$ 1,219,372	\$ 1,293,554	\$ 1,287,971
<b>UNDESIGNATED GENERAL FUND BALANCE</b>			
(audit result for 2009 and 2010, estimated for 2011)	as of 7/1/09 4,904,650	as of 7/1/10 4,513,459	as of 4/1/11 3,330,768

**TOWN OF CANTON, CONNECTICUT**  
**P.O. Box 168, Collinsville, CT 06022-0168**  
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**Board of Finance**

Dick Ohanesian, Chairman      693-0016  
Kathy Corkum                      693-8612  
Ike Eickenhorst                  693-1822  
Brian First                          693-8188  
Ken Humphrey                    693-1303  
Mary Tomolonius                693-0368

**Collinsville, CT**  
**CAR-RT-SORT**

**Postal Customer**  
**Canton, CT**

**Annual Town Budget Meeting**

Thursday, May 26, 2011 at 7:30 p.m.  
Canton Middle/High School - Auditorium

The annual town budget meeting of all electors and those qualified to vote in Town Meetings in the Town of Canton will be held on Thursday, May 26, 2011 at 7:30 p.m. in the auditorium of Canton Middle/High School, 76 Simonds Avenue, for the purpose of discussing and voting upon the Board of Finance recommended budget for the fiscal year July 1, 2011 through June 30, 2012.

**The Charter Revision requires 150 Voters be present for a quorum and if not it will automatically go to a referendum which will cost the town approximately \$3,500.**

<b>BUDGET SUMMARY</b>	<b>Audited Actual FY 2009/10</b>	<b>Revised Budget FY 2010/11</b>	<b>Proposed Budget FY 2011/12</b>
<b>REVENUES</b>			
Property Taxes	\$ 28,397,389	\$ 28,900,174	\$ 29,284,499
Licenses, Permits & Fees	\$ 306,637	\$ 284,375	\$ 282,798
Intergovernmental Revenue	\$ 3,395,746	\$ 3,884,245	\$ 3,832,821
Local Department Revenue	\$ 546,134	547,635	\$ 574,360
Investment Income	\$ 42,589	\$ 40,000	\$ 41,500
Use of Undesignated Fund Balance	\$ -	\$ 46,045	\$ -
Other Financing Sources	\$ 1,260	\$ -	\$ -
Total - General Fund Revenues	\$ 32,689,755	\$ 33,702,474	\$ 34,015,978
<b>EXPENDITURES</b>			
Board of Selectmen	\$ 8,937,998	\$ 9,085,283	\$ 9,221,562
Board of Education	\$ 21,836,855	\$ 22,283,809	\$ 22,618,066
Board of Finance	\$ 2,305,767	\$ 2,333,382	\$ 2,176,350
Total - General Fund Expenditures	\$ 33,080,620	\$ 33,702,474	\$ 34,015,978

**This mailer is available on the website at [townofcantonct.org](http://townofcantonct.org)**