

TOWN OF CANTON, CONNECTICUT
P.O. Box 168, Collinsville, CT 06022-0168
www.townofcantonct.org

U.S. Postage
PAID
Permit No. 71
Collinsville, CT 06022
ECRWSS-PRSRT STD

The Board of Finance forwards the enclosed Recommended Town Budget for fiscal year 2009/10 to the voters. This recommended budget will be presented and voted upon at the Annual Budget Meeting on Monday, May 11, 2009 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 \$9,019,611, a 3.0% decrease, and the Board of Education requested \$22,487,811 a 2.08% 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 16, 2009 at which time approximately 5 taxpayers spoke on various line items and on the budget as a whole. On April 21, 2009 the Board of Finance met to review the budget. After extensive discussions, the Board of Finance voted unanimously to accept the Board of Selectmen's budget as presented. The Board of Finance voted unanimously to reduce the Board of Education's requested budget by \$195,000. This results in total expenditures of \$33,619,772 a reduction of \$525,422 or 1.54% under the current budget.

The Board of Finance voted to reduce its budget by \$509,135 or 18.02% to \$2,316,350. Key reductions to the Board of Finance Budget were contingency, capital non-recurring and debt service.

In addition to lower projected tax revenues, the Board of Finance is projecting lower revenues in the following line items: licenses, permits, fees, intergovernmental revenue and investment income. Due to these reductions the Board of Finance unanimously voted to move \$659,509 from Undesignated Fund Balance to offset an increase in taxes.

The Board of Finance projects that the proposed budget for FY 2009/10 will not require a tax revenue increase for the Town. Based on revaluation the mil rate is projected to be 25.64. However, revaluation impacts individual properties unequally and while some residents and businesses may see a tax increase others will realize a tax decrease.

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

- The Grand List of October 1, 2008 declined by .07% prior to revaluation. This is the first time in the last ten years that the Town has experienced negative grand list growth.
- For FY 2009/10 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 (15.46%) 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 Monday, May 11th. The Board of Finance urges you to support the recommended budget for FY 2009/10

Board of Finance

Dick Ohanesian, Chairman 693-0016
 Kathy Corkum 693-8612
 Michael D'Apice 693-4919
 Ike Eickenhorst 693-1822
 Brian First 693-8188
 Sam Humphrey 693-4066

Annual Town Budget Meeting
 Monday, May 11, 2009 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 Monday, May 11, 2009 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, 2009 through June 30, 2010.

BUDGET SUMMARY	Audited	Revised	Proposed
	Actual	Budget	Budget
REVENUES	FY 2007/08	FY 2008/09	FY 2009/10
Property Taxes	\$ 28,054,531	\$ 28,574,291	\$ 28,202,180
Licenses, Permits & Fees	\$ 494,907	\$ 344,650	\$ 282,550
Intergovernmental Revenue	\$ 3,927,508	\$ 3,909,539	\$ 3,842,428
Local Department Revenue	\$ 747,536	\$ 486,465	\$ 473,105
Investment Income	\$ 344,986	\$ 190,000	\$ 160,000
Use of Undesignated Fund Balance	\$ -	\$ 642,084	\$ 659,509
Other Financing Sources	\$ -	\$ -	\$ -
Total - General Fund Revenues	\$ 33,569,468	\$ 34,147,029	\$ 33,619,772
EXPENDITURES			
Board of Selectmen	\$ 9,587,946	\$ 9,298,686	\$ 9,019,611
Board of Education	\$ 20,874,872	\$ 22,021,023	\$ 22,283,811
Board of Finance	\$ 2,427,379	\$ 2,825,485	\$ 2,316,350
Total - General Fund Expenditures	\$ 32,890,197	\$ 34,145,194	\$ 33,619,772

BUDGET DETAIL - REVENUES

	Audited Actual FY 2007/08	Revised Budget FY 2008/09	Proposed Budget FY 2009/10
PROPERTY TAXES			
Current year taxes (including motor vehicle supplemental)	\$ 27,488,653	\$ 28,304,291	\$ 28,022,180
Prior years' tax collections	\$ 337,166	\$ 150,000	\$ 100,000
Interest & liens	\$ 228,712	\$ 120,000	\$ 80,000
Total - Property Taxes	\$ 28,054,531	\$ 28,574,291	\$ 28,202,180
LICENSES, PERMITS & FEES	\$ 494,907	\$ 344,650	\$ 282,550
INTERGOVERNMENTAL REVENUE			
Equalized Cost Sharing/Pupil Transportation	\$ 3,416,251	\$ 3,446,964	\$ 3,444,603
School Bond Subsidy	\$ 229,827	\$ 219,456	\$ 204,554
Town Aid Roads	\$ 129,071	\$ 129,071	\$ 95,167
Property Tax Programs	\$ 70,253	\$ 68,054	\$ 65,940
Mashantucket Pequot/Mohegan Indian Funds	\$ 46,052	\$ 44,244	\$ 30,414
Other Revenues	\$ 36,054	\$ 1,750	\$ 1,750
Total - Intergovernmental Revenue	\$ 3,927,508	\$ 3,909,539	\$ 3,842,428
LOCAL DEPARTMENT REVENUE			
Town Clerk	\$ 262,050	\$ 209,000	\$ 184,000
Police Department	\$ 11,993	\$ 3,245	\$ 4,445
Parks and Recreation	\$ 38,809	\$ 33,600	\$ 38,100
Solid Waste Fees, Rebates & Permits	\$ 173,243	\$ 190,000	\$ 192,000
Library	\$ 16,779	\$ 15,200	\$ 20,200
Charges for Services	\$ 9,927	\$ 10,420	\$ 9,360
Miscellaneous Receipts	\$ 234,735	\$ 25,000	\$ 25,000
Total - Local Departmental Revenue	\$ 747,536	\$ 486,465	\$ 473,105
INVESTMENT INCOME	\$ 344,986	\$ 190,000	\$ 160,000
USE OF UNDESIGNATED FUND BALANCE	\$ -	\$ 642,084	\$ 659,509
OTHER FINANCING SOURCES	\$ -	\$ -	\$ -
Total - General Fund Revenues	\$ 33,569,468	\$ 34,147,029	\$ 33,619,772
SPECIAL REVENUE FUNDS			
Park & Recreation Fund	\$ 209,982	\$ 225,800	\$ 187,924
Water Pollution Control Authority (Sewers)	\$ 804,158	\$ 905,456	\$ 799,938
Emergency Medical Services Fund	\$ 315,203	\$ 255,768	\$ 286,587
Total - Special Revenue Fund Revenues	\$ 1,329,343	\$ 1,387,024	\$ 1,274,449
GRAND LIST OF TAXABLE PROPERTY	Oct. 1, 2006	Oct. 1, 2007	Oct. 1, 2008
Real Estate	\$ 798,946,750	\$ 815,384,860	\$ 997,780,980
Personal Property	\$ 43,106,850	\$ 41,214,490	\$ 40,188,160
Motor Vehicles	\$ 76,839,898	\$ 79,368,900	\$ 72,977,695
Less Adjustments by Board of Assessment Appeals			
Total - Net Grand List	\$ 918,893,498	\$ 935,968,250	\$ 1,110,946,835
MIL RATE	29.92	30.43	25.64

BUDGET DETAIL - EXPENDITURES

	Audited Actual FY 2007/08	Revised Budget FY 2008/09	Proposed Budget FY 2009/10
BOARD OF EDUCATION			
Employee Salaries	\$ 13,316,381	\$ 14,139,962	\$ 14,365,517
Employee Benefits	\$ 2,966,210	\$ 3,249,483	\$ 3,482,400
Purchased Services	\$ 1,192,532	\$ 1,282,150	\$ 1,413,353
Property Services	\$ 851,785	\$ 1,110,511	\$ 1,004,978
Transportation	\$ 1,161,967	\$ 1,113,831	\$ 1,132,082
Other Purchased Services	\$ 133,853	\$ 137,473	\$ 136,291
Supplies	\$ 550,610	\$ 604,026	\$ 579,411
Equipment	\$ 391,090	\$ 193,967	\$ 107,503
CIP	\$ 310,444	\$ 189,620	\$ 257,276
Less Reduction by BOF	\$ -	\$ -	\$ (195,000)
Total - Board of Education	\$ 20,874,872	\$ 22,021,023	\$ 22,283,811
BOARD OF SELECTMEN			
General Government	\$ 667,973	\$ 707,938	\$ 794,371
Finance	\$ 383,334	\$ 400,906	\$ 399,952
Police	\$ 1,725,835	\$ 1,783,932	\$ 1,624,095
Fire Service & Other Public Safety	\$ 383,279	\$ 405,490	\$ 401,110
Public Works	\$ 2,187,187	\$ 2,570,333	\$ 2,228,080
Human Services	\$ 813,605	\$ 876,820	\$ 927,744
Planning & Community Development	\$ 1,239,649	\$ 326,558	\$ 306,699
Insurance	\$ 238,699	\$ 248,502	\$ 268,896
Health Insurance & Employee Benefits	\$ 1,427,885	\$ 1,408,007	\$ 1,551,664
Capital Improvement	\$ 520,500	\$ 570,200	\$ 517,000
Less Reduction by Board of Finance	\$ -	\$ -	\$ -
Total - Board of Selectmen	\$ 9,587,946	\$ 9,298,686	\$ 9,019,611
BOARD OF FINANCE			
Administrative Costs, Debt Issuance and Auditing Services	\$ 37,599	\$ 42,710	\$ 48,350
Reserve Fund for Capital & Non-Recurring Expenditures	\$ 90,000	\$ 130,000	\$ -
Contingency	\$ -	\$ 300,000	\$ -
Self-Insurance Fund - Contribution	\$ -	\$ -	\$ -
Debt Service - Interest	\$ 645,335	\$ 592,775	\$ 533,000
Debt Service - Principal	\$ 1,654,445	\$ 1,760,000	\$ 1,735,000
Total - Board of Finance	\$ 2,427,379	\$ 2,825,485	\$ 2,316,350
Total - General Fund Expenditures	\$ 32,890,197	\$ 34,145,194	\$ 33,619,772
SPECIAL REVENUE FUNDS			
Park & Recreation Fund	\$ 204,189	\$ 225,800	\$ 187,924
Water Pollution Control Authority (Sewers)	\$ 637,555	\$ 776,612	\$ 757,899
Emergency Medical Services Fund	\$ 274,450	\$ 255,768	\$ 286,587
Total - Special Revenue Fund Expenditures	\$ 1,116,194	\$ 1,258,180	\$ 1,232,410
UNDESIGNATED GENERAL FUND BALANCE (audit result for 2007 and 2008, estimated for 2009)	as of 7/1/07 \$ 3,620,206	as of 7/1/08 \$ 4,310,703	as of 4/1/09 \$ 3,668,619