

## Town of Canton Annual Budget Mailer FY 18-19

The Board of Finance (BOF) forwards the enclosed recommended Town Budget for fiscal year 2018-19 to the voters. This recommended Town Budget will be presented at the Annual Budget Meeting on Monday, May 14, 2018 beginning at 7:00 pm in the Canton Middle/High School auditorium and voted upon if not petitioned to referendum.

### Budget Environment

This year's Town Budget was prepared in a climate of ongoing uncertainty related to the budget for the State of Connecticut and its impact on Town revenues and expenditures. The State budget estimates continue to fluctuate, and as a result the Town Boards continue to make conservative assumptions regarding the potential negative impacts from a reduction in overall funds received from the State of Connecticut. The Town continues to experience limited grand list growth.

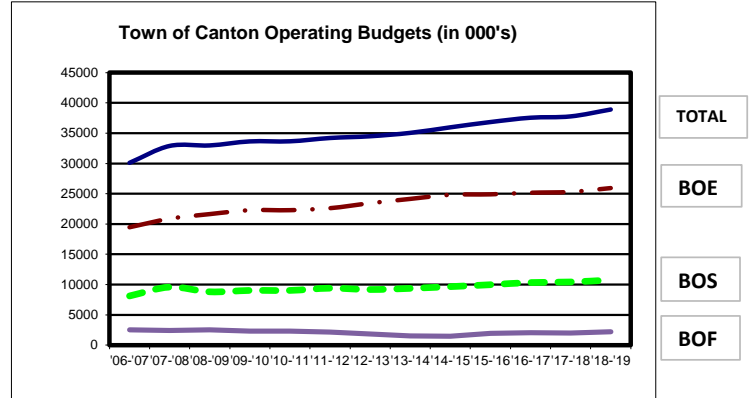
### Budgets

The Board of Selectmen (BOS) requested \$10,805,771, a 3.56% increase, representing no major new initiatives but a transfer of finance-related staff from the Board of Education (BOE) to the Town as part of a combined Finance Dept. intended to improve efficiency. The BOE requested \$26,264,362, a 3.79% increase. The increases in both budgets reflect rising benefit expenses, particularly healthcare, while the Board of Education budget also reflects significantly higher Special Education costs. The Board of Finance budget of \$2,214,293 reflects higher debt service obligations for previously-approved projects.

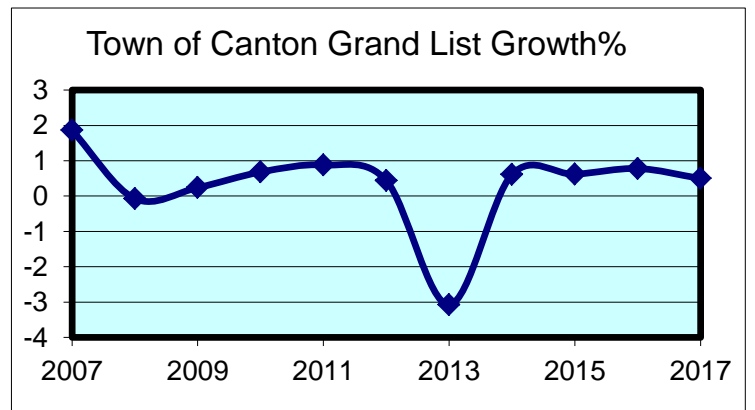
The BOF met separately with each Board in March to review the budgets in detail. A public hearing was held on Monday, March 26, 2018 at which time six taxpayers spoke in support of the BOE budget as presented. The BOF held a Budget Workshop to further review the budgets in detail. After accepting recommended expense estimate updates in several categories and updated grant assumptions as presented by the CAO and Finance Officer, the BOF reduced the BOS operating budget by \$35,000 and the BOS Capital Improvement Plan (CIP) budget by \$30,000, resulting in a BOS budget increase of 3.11% compared to the 2017-18 budget approved by voters. The BOF reduced the BOE operating budget by \$90,000 and made no changes to the BOE CIP, resulting in a BOE budget increase of 2.49% compared with the 2017-18 approved budget. The BOF unanimously approved a total budget expenditure of \$38,907,285 which is a 3.02% overall expenditure increase.

The BOS and BOF agreed to allocate \$111,000 from the recent bonding premium in the unallocated CIP account to smooth debt service expense in the budget during a peak year of bonding expenses. The BOF also unanimously voted to use \$200,000 from the undesignated Fund Balance to reduce the burden from the budget increase on Canton taxpayers.

This will result in a mil rate increase from 30.49 to 30.70 and a tax increase of 0.68%. The tax increase will be \$49 for the average Canton home with an average market value of \$338,819 and average assessed value of \$237,173.



Annual Tax Impact Reference for Canton Taxpayers	
Assessed Home Value	Annual Tax Increase
\$100,000	\$21
\$200,000	\$41
<i>Avg Canton Home = \$237,173</i>	<b>\$49</b>
\$300,000	\$62
\$400,000	\$83
\$500,000	\$103
\$600,000	\$124
\$700,000	\$145



(Note: 2013 - Revaluation Year)

**The Board urges you to attend the Town Meeting on Monday, May 14th at 7pm for Budget Presentations and the opportunity for the public to comment and vote on the recommended budget for FY 2018-19.**

April 27, 2018

<b>BUDGET DETAIL - REVENUES</b>	<b>Audited Actual FY 2016/17</b>	<b>Revised Budget FY 2017/18</b>	<b>Proposed Budget FY 2018/19</b>
<b>PROPERTY TAXES</b>			
Current year taxes (including motor vehicle supplemental)	\$32,815,591	\$33,709,287	\$34,156,106
Prior years' tax collections	\$175,733	\$230,000	\$180,000
Interest & liens	<u>\$120,857</u>	<u>\$70,000</u>	<u>\$90,000</u>
Total - Property Taxes	\$33,112,181	\$34,009,287	\$34,426,106
<b>LICENSES, PERMITS &amp; FEES</b>	\$281,676	\$346,400	\$293,600
<b>INTERGOVERNMENTAL REVENUE</b>			
Equalized Cost Sharing/Pupil Transportation	\$3,410,842	\$1,506,051	\$2,972,221
Town Aid Roads	\$261,069	\$261,069	\$261,239
Special Education - Excess Cost	\$0	\$300,000	\$0
Property Tax Programs	\$82,867	\$91,822	\$12,000
Mashantucket Pequot/Mohegan Indian Funds	\$20,081	\$20,237	\$0
FEMA Emergency Management Grant	\$10,357	\$0	\$0
Other Revenue	<u>\$211,078</u>	<u>\$340,847</u>	<u>\$0</u>
Total - Intergovernmental Revenue	\$3,996,294	\$2,520,026	\$3,245,460
<b>LOCAL DEPARTMENT REVENUE</b>			
Town Clerk	\$223,815	\$230,000	\$230,000
Police Department	\$100,490	\$78,500	\$92,600
Parks and Recreation	\$47,594	\$51,000	\$51,000
Library	\$11,919	\$13,204	\$13,204
Charges for Services	\$17,291	\$17,130	\$17,080
Miscellaneous Receipts	<u>\$46,697</u>	<u>\$34,940</u>	<u>\$41,235</u>
Total - Local Departmental Revenue	\$447,806	\$424,774	\$445,119
<b>INVESTMENT INCOME</b>	\$156,803	\$142,500	\$186,000
<b>USE OF UNDESIGNATED FUND BALANCE</b>	\$0	\$443,455	\$200,000
<b>OTHER FINANCING SOURCES</b>	<u>\$0</u>	<u>\$325,000</u>	<u>\$111,000</u>
<b>Total - General Fund Revenues</b>	\$37,994,759	\$38,211,442	\$38,907,285
<b>SPECIAL REVENUE FUNDS</b>			
Transfer Station Special Revenue Fund	\$207,164	\$214,590	\$210,126
Park & Recreation Fund	\$273,616	\$303,000	\$310,800
Water Pollution Control Authority (Sewers)	\$975,102	\$1,264,675	\$957,775
Emergency Medical Services Fund	<u>\$651,635</u>	<u>\$614,781</u>	<u>\$641,037</u>
Total - Special Revenue Fund Revenues	\$2,107,517	\$2,397,046	\$2,119,738
<b>GRAND LIST OF TAXABLE PROPERTY</b>	<b>Oct. 1, 2015</b>	<b>Oct. 1, 2016</b>	<b>Oct. 1, 2017</b>
Real Estate	\$980,322,490	\$984,580,080	\$987,728,190
Personal Property	\$43,265,790	\$44,373,280	\$46,210,350
Motor Vehicles	<u>\$84,064,699</u>	<u>\$87,763,595</u>	<u>\$87,954,340</u>
Less Adjustments by Board of Assessment Appeals			
Total - Net Grand List	\$1,107,652,979	\$1,116,716,955	\$1,121,892,880
<b>MIL RATE</b>	<b>29.76</b>	<b>30.49</b>	<b>30.70</b>

<b>BUDGET DETAIL - EXPENDITURES</b>	<b>Audited Actual FY 2016/17</b>	<b>Revised Budget FY 2017/18</b>	<b>Proposed Budget FY 2018/19</b>
<b>BOARD OF EDUCATION</b>			
Employee Salaries	\$ 16,015,091	\$ 16,265,169	\$ 16,154,653
Health Insurance & Employee Benefits	\$ 4,696,744	\$ 4,890,503	\$ 5,203,776
Purchased Services	\$ 2,607,132	\$ 2,539,477	\$ 2,590,267
Utilities	\$ 519,984	\$ 610,888	\$ 594,268
Maintenace/Repairs	\$ 194,195	\$ 297,230	\$ 310,039
Other	\$ 810,826	\$ 611,279	\$ 1,097,230
Less Operating Reduction by BOF	\$ -	\$ -	\$ (90,000)
Capital Improvement	\$ 617,070	\$ 90,000	\$ 74,000
CIP Decrease by BOF	\$ -	\$ -	\$ -
Total - Board of Education	\$ 25,461,042	\$ 25,304,546	\$ 25,934,233
<b>BOARD OF SELECTMEN</b>			
General Government	\$ 617,137	\$ 662,038	\$ 709,276
Finance	\$ 401,173	\$ 419,824	\$ 602,319
Police	\$ 1,957,983	\$ 2,002,094	\$ 2,041,699
Fire Service & Other Public Safety	\$ 565,795	\$ 580,635	\$ 577,757
Public Works	\$ 1,889,631	\$ 1,910,030	\$ 1,930,461
Human Services	\$ 1,090,885	\$ 1,115,849	\$ 1,084,064
Planning & Community Development	\$ 329,243	\$ 356,631	\$ 344,565
Insurance	\$ 265,515	\$ 280,604	\$ 299,329
Health Insurance & Employee Benefits	\$ 1,968,175	\$ 2,069,082	\$ 2,240,149
Less Operating Reduction by BOF	\$ -	\$ -	\$ (35,000)
Capital Improvement	\$ 1,236,834	\$ 1,481,421	\$ 994,140
CIP Decrease by BOF	\$ -	\$ -	\$ (30,000)
Total - Board of Selectmen	\$ 10,322,371	\$ 10,878,208	\$ 10,758,759
<b>BOARD OF FINANCE</b>			
Administrative Costs, Debt Issuance and Auditing Services	\$ 37,225	\$ 43,045	\$ 46,080
Reserve Fund for Capital & Non-Recurring Expenditures	\$ 42,000	\$ 22,000	\$ 22,000
Debt Service - Interest	\$ 485,625	\$ 513,644	\$ 526,213
Debt Service - Principal	\$ 1,460,000	\$ 1,450,000	\$ 1,620,000
Total - Board of Finance	\$ 2,024,851	\$ 2,028,689	\$ 2,214,293
Total - General Fund Expenditures	\$ 37,808,265	\$ 38,211,442	\$ 38,907,285
<b>SPECIAL REVENUE FUNDS</b>			
Transfer Station Special Revenue Fund	\$ 242,810	\$ 213,620	\$ 210,003
Park & Recreation Fund	\$ 255,109	\$ 294,638	\$ 323,178
Water Pollution Control Authority (Sewers)	\$ 1,041,136	\$ 1,143,411	\$ 871,515
Emergency Medical Services Fund	\$ 581,880	\$ 614,781	\$ 641,037
Total - Special Revenue Fund Expenditures	\$ 2,120,935	\$ 2,266,450	\$ 2,045,733
<b>UNDESIGNATED GENERAL FUND BALANCE</b>			
(audit result for 2016 and 2017, estimated for 2018)	as of 7/1/16 5,874,855	as of 7/1/17 5,866,975	as of 4/1/18 5,913,029

**TOWN OF CANTON, CONNECTICUT**

**P.O. Box 168, Collinsville, CT 06022-0168**

*www.townofcantonct.org*

**PRESORTED STANDARD**

**U.S. POSTAGE PAID**

**AVON, CT**

**PERMIT NO. 424**

**Board of Finance**

Brian First, Chairman	<a href="mailto:brianfirst1@comcast.net">brianfirst1@comcast.net</a>	860-693-8188
Arnold Goldman, Vice Chair	<a href="mailto:drarnoldgoldman@gmail.com">drarnoldgoldman@gmail.com</a>	860-693-9300
Sarah Faulkner	<a href="mailto:sffaulkner@comcast.net">sffaulkner@comcast.net</a>	860-693-8540
Ken Humphrey	<a href="mailto:kenshumphrey@comcast.net">kenshumphrey@comcast.net</a>	860-693-1303
Jennifer Rottkamp	<a href="mailto:jdrottkamp@gmail.com">jdrottkamp@gmail.com</a>	860-421-5015
Mary Tomolonius	<a href="mailto:mtomolonius@gmail.com">mtomolonius@gmail.com</a>	

To affect real change in our Town Budget the BOF urges you to contact your elected State and Federal representatives. Visit [www.cga.ct.gov](http://www.cga.ct.gov) for more info.

**Postal Customer  
Canton, CT**

CT Representative Tim LeGeyt	<a href="mailto:Timothy.LeGeyt@cga.ct.gov">Timothy.LeGeyt@cga.ct.gov</a>	800-842-1423
CT Senator Kevin Witkos	<a href="mailto:Kevin.Witkos@cga.ct.gov">Kevin.Witkos@cga.ct.gov</a>	800-842-1421
U.S. Senator Richard Blumenthal	<a href="http://blumenthal.senate.gov">http://blumenthal.senate.gov</a>	202-224-4041
U.S. Senator Christopher Murphy	<a href="http://murphy.senate.gov">http://murphy.senate.gov</a>	202-224-4041
U.S. Representative Elizabeth Esty	<a href="http://esty.house.gov">http://esty.house.gov</a>	202-225-4476

**Annual Town Budget Meeting**

Monday, May 14, 2018 at 7:00 pm  
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 14, 2018 at 7:00 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, 2018 through June 30, 2019. **The Charter requires 150 voters be present for a quorum and if not it will automatically go to a referendum. If petitioned to referendum with 150 signatures a referendum must be held. A referendum will cost the taxpayers approximately \$3,500.**

<b>BUDGET SUMMARY</b>	<b>Audited Actual FY 2016/17</b>	<b>Revised Budget FY 2017/18</b>	<b>Proposed Budget FY 2018/19</b>
<b>REVENUES</b>			
Property Taxes	\$33,112,181	\$34,009,287	\$34,426,106
Licenses, Permits & Fees	281,676	346,400	293,600
Intergovernmental Revenue	3,996,294	2,520,026	3,245,460
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Investment Income	156,803	142,500	186,000
Use of Undesignated Fund Balance	-	443,455	200,000
Other Financing Sources	-	<u>325,000</u>	<u>111,000</u>
Total - General Fund Revenues	\$37,994,759	\$38,211,442	\$38,907,285
<b>EXPENDITURES</b>			
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Board of Education	25,461,042	25,304,546	25,934,233
Board of Finance	<u>2,024,851</u>	<u>2,028,689</u>	<u>2,214,293</u>
Total - General Fund Expenditures	\$37,808,265	\$38,211,442	\$38,907,285

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