

Board of Finance
Town of Willington

April 25, 2011

Fellow citizens of Willington:

The attached budget is intended to provide you with information to evaluate the Town's proposed spending plan for FY 2011-2012, which was presented at the Town Budget Public Hearing on April 5, 2011 at the Old Town Hall. Comments on the proposed budget were carefully considered by the Board of Finance before finalizing the budget for presentation at the Annual Budget Meeting on April 19th, which adjourned to referendum on May 3.

FY 2011-21012 BUDGET PREPARATION

During budget preparation, as part of the annual process, the Board of Finance reviewed and considered many factors, some of which include:

- Current and Projected Town, State and Federal Revenues (an estimated 1.63 decrease)
- Capital Improvement Needs and Funding Sources
- Grand List (currently estimated at a .68% increase)
- Undesignated Fund Balance
- Current and Projected Debt Service (Library Bond, Fire Station 13 Mortgage, Public Works lease payments)
- Current and Projected Expenditures
- General Government Goals and requests from each department
- Willington Board of Education budget proposal, including grants and other funding sources
- Region 19 Board of Education budget proposal

BUDGET HIGHLIGHTS

Total Spending Plan

Willington's proposed spending plan for FY 2011-2012 totals \$15,563,924.00. This total includes:

General Government	\$ 3,612,184.00
Willington Board of Education	\$ 7,610,286.00
Willington's share of Region 19 (E.O. Smith)	\$ 4,341,454.00
Budget Total	\$15,563,924.00

Proposed Mill Rate

The proposed rate is 23.58 (an increase of 00.18 mil over FY 2010-2011's rate of 23.4). The tax increase is 00.76% or approximately an additional 18 dollars per \$100,000 assessed value.

Regional School District 19 Board of Education **\$4,341,454 (Willington's portion)**

The number of Willington students attending E.O. Smith is expected to increase by 18 students for the FY 2011-2012 school year and Mansfield enrollments are projected to decrease by 13. Ashford's enrollments are expected to decrease by 6. This shift in enrollments causes Willington's share of Region 19 expenses to increase by \$294,147 or an increase of 7.27%. The overall Region 19 budget for revenues and expenses is a 0% increase and uses about \$345,000 of a one-time Federal Jobs Grant.

Willington Board of Education **\$7,610,286**

The Board of Education's budget for FY 2011-2012 is \$96,010 less than the approved budget for FY 2010-2011 for an overall decrease of 1.25%. There is approximately \$144,000 of the Federal Job Grant money included in the budget.

General Government **\$3,612,184**

The proposed FY 2011-2012 General Government budget is \$102,550 less than the FY 2010-2011 approved budget for overall decrease of 2.76%.

Capital Improvements

The following are the FY 2011-2012 Capital Improvements budget that impact the General Government budget:

Project Description	
Pay 2006 Bond for Library	241,500
Pay 1980 Mortgage Fire Station 13	10,144
Lease payments of Public Works	65,415
Replace 1992 Chevy 4 x 4	10,000
Replace Electronic Equipment	12,000
Replace Brush Mower for Holder	10,000
Install Waster Oil Tank	12,000
Replacement of Fuel Island	5,000
General Reserve Fund	11,000
	\$377,059

The FY 2012 Capital Improvements budget funded from CT State LOCIP funds, Ambulance Emergency Reserve or Willington's Capital Reserves Fund includes:

Project Description		Funding Source
Fire Apparatus Lease Payments	143,961	Emergency Reserve
Ambulance Lease Payment	27,491	Emergency Reserve
Transfer to Ambulance Grant	28,700	Emergency Reserve
Replacement of Fuel Island	10,000	LOCIP Fund
TOB Roof Replacement	40,000	Reserve
Potter School Road	40,000	LOCIP Fund
	\$290,152	

Revenues**\$4,156.737.00**

Based on current projections, overall revenues are expected to decline. State aid is expected to decrease and town revenues continue to be affected by the economy's impact on the number of land transactions and associated fees, as well as by reduced interest rates on investments. Willington's overall FY 2011-2012 revenues are expected to decline by \$68,763 or 1.63%.

These projections include:

- State revenues are projected to be \$25,358 less than FY 2010-2011 for an estimated 9.84 decrease.
- Local revenues (excluding grand list) are projected to be \$10,700 less than FY 2010-2011 for an estimated 5.05 decrease).
- Educational revenues from the state are projected to be \$32,705 less than FY 2010-2011, an estimated .87% decrease.

The state revenue portion of this budget is an uncertainty until the State Legislature and Governor pass a budget. The amounts above represent the best information we have at this time.

Undesignated Fund Balance

Willington's Undesignated Fund Balance is estimated to be \$1,600,000 based on the FY 2010-2011 audit, the FY 2010-2011 revenues and the expenditures to date. This balance represents approximately 10.3% of the Town's proposed General fund (Operating Budget). The Town's auditors consider a healthy balance to be 10%.

To mitigate the impact of the reduced revenues, \$263,600 from the town's fund balance is applied, reducing the net amount to be raised by taxation to \$11,143,587, an increase of \$80,750 over FY 2010-2011, or an 0.74% increase.

We encourage you to vote in the upcoming referendum on this budget scheduled for Tuesday, May 3, 2011 from 6:00 AM to 8:00 PM at the Town Office building.

Respectfully yours,

Town of Willington
Board of Finance