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Feasibility Study for Park and Open Space Funding Options

Town of Stonington, Connecticut

Park and Open Space Funding Options
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Introduction

The Stonington Conservation Commission has made significant efforts to create a comprehensive open space program for the Town. This program is based in part on the Plan of Conservation and Development (POCD) finalized in July of 2004 which included recommendations to: develop an Open Space Plan, adopt fees in lieu of open space, develop a Stormwater Management Plan, create an inventory of scenic resources and preserve meaningful open space and create a greenway system. The Conservation Commission has achieved some of the recommendations of the POCD by completing a Draft Open Space Plan in 2005 and helping to establish a Fees-In-Lieu of Open Space program.

Building upon survey results indicating that the protection of open space is a top priority amongst residents in Stonington and seeking to create a comprehensive program, the Conservation Commission is pursuing funding options to make the Open Space Program an active one, able to compete in today's real estate market for land that is important to the Town. To that end, the Commission contacted the Trust for Public Land (TPL) to research the feasibility of the Town enacting a bond authorization for open space purchases.

The Trust for Public Land

TPL conserves land for people to improve the quality of life in our communities and protect our natural and historic resources. Founded in 1972, TPL works in 45 states to protect land for people to enjoy as parks, gardens, playgrounds, greenways, recreation areas, historic buildings, archaeological sites and wilderness areas. Nationwide, TPL has protected more than 1.5 million acres with a fair market value of more than \$2 billion.

To help public agencies or land trusts acquire land, TPL assists communities in identifying and securing public financing. TPL's conservation finance program offers technical assistance to elected officials, public agencies and community groups to design, pass and implement public funding measures that reflect popular priorities. In Connecticut, TPL has helped protect more than 4,000 acres across the state. Since 1996, TPL also has supported seven successful local conservation finance ballot measures in the state, generating more than \$18 million dollars for land conservation purposes. At the state level, TPL has helped create two programs for land conservation in Connecticut, the Open Space and Watershed Land Acquisition Grant Program and the Community Investment Act.

Objective

The objective for this study is to research and provide analysis on the viability of the town passing a general obligation bond issue in order to support long-term land conservation and recreation in Stonington.

Executive Summary

The Trust for Public Land has undertaken a feasibility analysis to explore Stonington's options to preserve land for open space and natural areas and develop parks for current and future residents. In order to understand the appropriate course of action, this report first briefly delves into the town's background for a general overview of its economy and the growth trends that have shaped it in recent years. It is evident that growth and development have steadily increased in the town over the past few decades. By 2010, the population is expected to climb to 18,741 people, an increase of 10.8 percent from the 1990 population of 16,919. In addition, the amount of open space in the Town is decreasing therefore exacerbating the need to create a dedicated funding source for land protection.

The report primarily investigates the authority and capacity of the town to raise funds for an open space acquisition program through the issuance of general obligation bonds. Based on analysis included in this report, it is prudent for the Town of Stonington to secure a bond in the amount of \$3-8 million as part of a comprehensive land conservation program. Lastly, the report analyzes the voter registration and turnout for budget referenda, town meetings, and elections in the town since 2000. The Town has experienced consistently low turnout at budget referenda with much higher turnout at General Elections, particularly in even-numbered years. This information plays an important role in enhancing TPL's ability to help design a potential land conservation ballot measure for the town.

Nationwide, a range of public financing options have been utilized to fund parks and land conservation. These include the property tax, the local sales tax, bonding, and less frequently used mechanisms such as special assessment districts, the real estate transfer tax, impact fees, and income taxes. In Connecticut, local governments have the authority to levy property taxes and/or issue bonds for parks and land conservation. The State has a 93 percent passage rate for open space measures.¹ Since 1995, 54 such measures have been voted on and 50 have passed, primarily at the ballot. This includes many small municipalities, similar to Stonington, that have been successful in issuing general obligation bonds with high voter support.

Historically, Stonington has appropriated revenues during town meetings to fund necessary open space acquisitions. However, creating a land conservation program with a dedicated funding source, such as a general obligation bonds, would enable Stonington to proceed proactively in order to protect important conservation and recreation lands currently being lost to development, while also helping to preserve the town's quality of life.

¹ The Trust for Public Land, LandVote database™ <http://www.conservationalmanac.org/landvote/cgi-bin/nph-landvote.cgi>.

General Overview

Background and Growth Trends

Stonington is located in the southeastern corner of Connecticut covering an area of 39 square miles in New London County. Located within the town are the Mystic Seaport and Mystic Aquarium and Institute for Exploration, which are popular tourist destinations in New England. The town borders Westerly, Rhode Island to the east, Block Island Sound to the south, Groton and Ledyard to the west and North Stonington to the north. Stonington adopted its most recent charter on November 7, 1989, which established a Selectmen-Town Meeting form of government. The town meeting acts as the legislative body of the town and the three-member Board of Selectmen acts as the governing body for most matters.²

The Town of Stonington is included within the southeastern Connecticut economy. Historically, the strongest industries in this area have been defense technology, tourism, healthcare, biotechnology, and marine education and research.³ According to the US Census data for 2000, the industries with the highest employment in Stonington were educational, health and social services (1,843) followed closely by manufacturing (1,744), and retail trade (1,021). In Stonington, the average unemployment rate in 2003 was 3.1 percent. This is lower than both the state's unemployment rate of 5.5 percent and the county's rate of 4.8 percent.⁴ In June of 2004, the unemployment rate in Stonington dropped to 2.1 percent.⁵

The population of Stonington was 18,298 in 2005.⁶ This is a 2.2 percent increase from the 2000 population of 17,906. The population is projected to reach 18,741 by 2010 at a rate of 0.5 percent growth each year.⁷ Between 1990 and 2000, Stonington grew by 5.8 percent, which is a higher rate than both the county at 1.6 percent and the state at 3.5 percent. This growth in population was accompanied by an increase in the number of housing units built. During the last decade, 10.8 percent of the housing stock in Stonington was built. This is slightly higher than the New London County average of 10.4 percent.⁸ In 2000, the median household income was \$52,437.⁹ This is higher than the county (\$50,646), but lower than the state (\$53,935) for the same time period.¹⁰ In 2003, the median home price in Stonington was \$245,000. The median home price for the county was \$172,000 and the state's was \$189,900.¹¹ High median home prices coupled with strong growth trends threaten remaining open space in town.

² "Official Statement," Town of Stonington, CT, September 22, 2005.

³ "Official Statement," Town of Stonington, CT, September 22, 2005.

⁴ "Stonington, CT, CERC Town Profile 2005," www.cerc.com.

⁵ "Official Statement," Town of Stonington, CT, September 22, 2005.

⁶ "Stonington, CT, CERC Town Profile 2005," www.cerc.com.

⁷ "Stonington, CT, CERC Town Profile 2005," www.cerc.com.

⁸ U.S. Census Bureau 2000.

⁹ U.S. Census Bureau, "Fact Sheet: Stonington town," 2000.

¹⁰ "2004 Plan of Conservation and Development," Town of Stonington, CT.

¹¹ "Stonington, CT, CERC Town Profile 2005," www.cerc.com.

Fiscal Overview

According to the town's 2005 Official Statement and 2005-2006 Adopted Budget, the town has a relatively strong economy with a diverse business and employment base that includes tourism to Mystic Seaport and Mystic Aquarium and Institute for Exploration. Under its charter, the town provides the following services: public safety, public works, sanitation, culture and recreation, planning, zoning, public health and social services, sewers and water, a public library, and education for grades pre-kindergarten through 12.¹² Town services and programs are funded through revenue that is derived from a variety of sources, including licenses and permits, state grants, fees, and other revenue sources. However, the property tax is the primary means of generating revenue.

The Town of Stonington utilizes a fund based accounting system that includes the general, special revenue, capital projects, trust and agency, internal service and enterprise funds.¹³ The general fund is the largest and most flexible of the various funds and is used for general government purposes.

Stonington's 2005-2006 Adopted Budget documented revenues for the general fund at \$48,110,065. Expenditures for this fund were also \$48,110,065. Property taxes account for 84.1 percent of the general fund revenues, followed by state grants, which account for 6.6 percent of revenue. Education accounts for over half of the expenditures from the general fund. About one-third of expenditures are for general government. This information is illustrated in more detail in the chart below.

FY 2005 - 2006 Adopted Budget Revenues and Expenditures (\$ in millions)					
Revenue Source	Total	Percent of Total	Expenditures	Total	Percent of Total
Taxes	\$41.4	86.0	General Government	\$14.7	30.6
Licenses & Permits	\$0.97	2.0	Education	\$27.1	56.3
State grants	\$3.16	6.6	Debt Service	\$5.2	10.9
Fees	\$1.72	3.6	Capital Improvements	\$1.1	2.2
Misc./Other	\$0.86	1.8			
Total Revenues	\$48.11		Total Expenditures	\$48.11	

The general fund balance as of June 30, 2005 was \$5.8 million.¹⁴ As is shown below, the fund balance has increased over the past few years.¹⁵ This information is important as it highlights the town's financial stability.

General Fund Balance

Year Ended	2000 – 2001 Actual	2001 – 2002 Actual	2002 – 2003 Actual	2003 – 2004 Unaudited	2004 – 2005 Unaudited
Fund Balance	\$2,923,290	\$2,270,868	\$3,551,001	\$4,360,036	\$5,800,000

¹² "Official Statement," Town of Stonington, CT, September 22, 2005.

¹³ Town of Stonington Adopted Budget, Fiscal Year July 1, 2005 – June 30, 2006.

¹⁴ Email correspondence with George Sylvestre, Director of Administrative Services, Town of Stonington.

¹⁵ "Official Statement," Town of Stonington, CT, September 22, 2005.

While the General Fund balance is stable, there are plans to appropriate \$400,000 during the current fiscal year in order to finance the construction of an addition to Town Hall.¹⁶ The town has already amassed \$800,000 from state capital improvement funding, but needs a total of \$1.4 million to fund the project. Recent articles in the local newspapers, *The Day* and *The Westerly Sun*, point out the Board of Selectmen would prefer to appropriate funds from the General Fund balance instead of raising property taxes. It is mentioned that voters may soon be asked to approve funding for a new sewage treatment plant and improvements to three elementary schools. *The Day* article notes that the town's bond rating will not be affected by the appropriation.¹⁷

¹⁶ "State Aid to Cover Town Hall Addition," *The Westerly Sun*,
<http://www.thewesterlysun.com/articles/2005/12/18/news/news2.txt>.

¹⁷ "\$1.4M Addition to Town Hall being Designed in Stonington," *The Day*, December 13, 2005,
<http://www.theday.com/eng/web/news/re.aspx?re=7488E613-3086-4BC8-BCD9-D9D37336E3A6>.

Open Space and Conservation

The Conservation Commission was established by Connecticut State Statute in order to develop an appropriate plan to manage land in Stonington. On August 19, 2005, the Conservation Commission completed its Draft Open Space Plan for Stonington. The goals, objectives, and action plan that are included in the Commission's draft plan were developed to be in accordance with the Town of Stonington's 2004 Plan of Conservation and Development. Both documents outline the necessity of protecting open space and natural resources in order to preserve the town's character, enhance economic sustainability and ensure public health.¹⁸

According to the 2004 Plan of Conservation and Development (POCD), 60 percent of the land in Stonington is developed or committed to future development. Of this 60 percent, close to 42 percent (6,300 acres) is developed with residential uses, 4 percent is for commercial uses, another 3 percent for industrial uses and the rest is committed to one of these purposes. Yet, Stonington includes about 39 square miles (about 24,780 acres) of land area. This leaves a large amount of land, 40 percent or 10,400 acres, within the town open to the possibility of future development.¹⁹ Out of the total land area in Stonington, 7 percent is for agricultural uses and 15 percent is designated as open space.

The Plan of Conservation and Development Steering Committee was created in order to adequately address the issues highlighted in the POCD. The committee conducted surveys of residents in order gauge what issues are of the greatest concern to people in the town. While many people expressed that there is generally a high-quality of life in Stonington, there was a significant amount of concern raised over transportation and sprawl issues. For example, the lack of bikeways, paths and mass transit were specifically mentioned. Additionally, residents surveyed during public meetings in October 2002 noted that the preservation of open space was the most critical issue for the town.

In the 2005-2006 Adopted Budget for the town, there is some funding for Recreation within the Department of Human Services. The total budget for the Department is \$822,444. Roughly 9 percent of that budget is earmarked for Recreation, which received \$77,900 in funding. In addition, there is \$4,000 budgeted for Playgrounds and Parks under the Department of Public Works. This is only a small percentage (less than 1 percent) of the Department's total budget of \$489,175. Although there is no funding specifically designated for land acquisition in the current budget, there is \$160,000 in the Land Acquisition Fund and additional funding is being generated through the Fees-In-Lieu of Open Space (FILOS) program. Lastly, the town continuously acquires open space through a 15 percent set aside regulation, which also does not require funding.²⁰ The POCD recommended an increase in set aside percentage to 20%.

¹⁸ "Open Space Plan *DRAFT*," August 19, 2005, Town of Stonington, CT, Conservation Commission.

¹⁹ "2004 Plan of Conservation and Development," June 29, 2004, Town of Stonington, CT.

²⁰ Information on these open space acquisition funding sources was obtained from Jennifer Herbst, Conservation Commission, Town of Stonington.

Yet the creation of a stable funding source could enable the town to make critical acquisitions in the near future. This is clearly an important issue within the town as the answers to the survey questions substantiates. In particular, the protection of the stream belts, including Copps Brook, Stony Brook, and Anguilla Brook, have been identified as a major concern in the town.²¹ Moreover, one of the objectives for the Department of Planning during the current fiscal year is to develop an Open Space Plan for the town in collaboration with the Conservation Commission's draft plan.²² A land acquisition funding measure would complement this stated goal.

²¹ Phone conversation with Stan Simm, Chairman, Conservation Commission, Town of Stonington.

²² Town of Stonington Adopted Budget, Fiscal Year July 1, 2005 – June 30, 2006.

Options for Land Conservation

Land conservation can be accomplished through the use of a variety of techniques including, fee simple acquisition, development rights acquisition, donation, life estate, lease/purchase agreement, subdivision open space, fees in lieu of open space and other regulatory mechanisms such as zoning and cluster subdivisions. Some landowners are willing and able to conserve their land through donation or partial donation but the majority are not. Thus, municipalities such as Stonington are required to look at other mechanisms to conserve land, many of which require the contribution of local revenue. Generating the local revenue stream for open space is the focus of this report.

Non-Revenue Options

Municipalities have some non-revenue options for conservation at their disposal. These include donations of land, subdivision open space (set-asides), fees in lieu of open space, regulatory measures. These tools can be used to acquire land and are often used in conjunction with revenue generating options to create a comprehensive open space program. As mentioned previously, Stonington already has in place a regulation which requires a set-aside of open space of 15 percent of the total acreage being subdivided or fees in lieu of the open space set-aside. Such fees are deposited in the Land Acquisition Fund for future open space purchases.

Partnering with other land conservation organizations, the State of Connecticut and the Federal Government, can lead to a very successful open space program. Partners can often leverage a municipality's funds by adding private dollars to a purchase, in the case of land conservation organizations, and through grants from State and Federal governments. Stonington should take advantage of the available grant programs and of land conservation organizations who are positioned to help.

There are two major grant programs that are often used and would be logical for Stonington to pursue once the town has decided to acquire open space. Both can bring hundreds of thousands of dollars of funding to conservation projects. The first is the State of Connecticut's Open Space and Watershed Land Acquisition Grant Program, which provides municipalities with up to 50 percent of the purchase price for open space acquisitions. Properties that receive these grants have conservation easements placed on them in order to ensure protection. The second program is the National Oceanic and Atmospheric Administration's (NOAA) Coastal and Estuarine Land Conservation Program, which also provides grants to towns for up to 50 percent of the purchase price of property. This program is restricted to property within the coastal zone of each town and requires a deed restriction upon receiving a grant, which ensures protection of the land. There are many other programs that provide grants for land protection, but they make awards for much smaller amounts. Family foundations, community foundations and the Long Island Sound License Plate Fund are a few examples.

In the past, Stonington has been successful at partnering with land conservation organizations to leverage town funds and protect open space. Two examples are: The Paffard Woods project on

North Main Street which exemplifies a successful partnership with a local land trust, the Avalonia Land Conservancy. With town funding, private contributions, and a bargain from the landowner, 62 acres was permanently protected and added to the town's recreational assets. Secondly, multiple leveraging sources were used to protect the 144 acre Barn Island Wildlife Management Area. Private, town, state and federal funding sources were combined to protect this ecologically important area through the efforts of The Nature Conservancy.

Non-revenue options for protecting open space are a component of any successful open space program. It should be acknowledged though, that these options are only partially effective, because the town is placed in a reactive mode: reacting to donation opportunities, subdivision applications and the interests of third parties. Land that becomes available for protection through these reactive modes does not necessarily match the town's conservation priorities or create a cohesive network of protected open space.

In order to meet the goals of protecting open space as described in Stonington's Open Space Plan, the town should consider creating a significant revenue source through a bond authorization. This would create an active open space acquisition program for the town with sufficient resources to compete in the marketplace. An active program allows the town to protect its most important conservation priorities in a more comprehensive manner before they are lost to development. It allows for taking advantage of grant opportunities and also establishes credibility with landowners.

Revenue Options for Open Space

General Obligation Bonds

To raise funds for capital improvements, such as land acquisition or building construction, Connecticut towns may issue bonds. There are two types of bonds: general obligation (G.O.) bonds and revenue bonds. G.O. bonds are guaranteed by the full faith and credit of the municipality and often backed by the levy of property taxes within the municipality. Revenue bonds are paid by project-generated revenue and are not discussed in detail in this report.

In Connecticut, a municipality may incur general obligation debt of up to seven times the receipts from annual taxation. Of this, debt for general purposes (such as open space acquisition) is limited to two and a quarter (2.25) times the receipts from annual taxation.²³ The debt figure that is derived from the aforementioned calculation less any outstanding debt is known as the legal “debt margin” of the Town. The chart on the following page depicts this information. The remaining debt capacity may be used for schools, sewers, urban renewal, and pension deficit funding.²⁴

Communities that borrow to pay for land acquisition have an advantage in that they can react to opportunities relatively quickly and are not constrained by the funds that they may or may not have on hand. Two basic approaches to borrowing for open space can be described: bonding for each individual project opportunity as it arises, or lump-sum bonding.

Lump sum bonding – authorizing a “lump” of funds that can be used for acquiring open space parcels to be identified in the future – is a highly successful means for municipalities to acquire and protect open space. This method is in contrast to an approach that requires bonding authorization for each and every project opportunity.

Lump sum bonding has several advantages for a town engaged in an open space program. Overall, it enables a more comprehensive approach to acquisition. Also, it provides immediate entry into the private marketplace and establishes credibility and certainty with landowners. Lastly, it increases opportunities to receive matching grants.

Debt in Stonington

Stonington has \$53,608,631 in total and underlying debt outstanding.²⁵ The total long-term debt is \$46,397,586. More than half of this debt outstanding (\$31.3 million) has been issued to finance schools. The remaining has been issued for Sewers (\$8.3 million) and General Purposes (\$6.8 million).²⁶ At present, Stonington does not have any outstanding debt specifically dedicated for land conservation purposes. With regard to these outstanding bonds, tax collections for 2005 and

²³ General Statutes of Connecticut, Revised to 1997, Title 7, Ch. 90, Sec 7-374.

²⁴ “Official Statement,” Town of Stonington, CT, September 22, 2005.

²⁵ “Underlying debt” refers to municipal bonds issued by government entities, such as the Mystic Fire District and the Borough of Stonington, which are under the control of the Town of Stonington and for which the Town shares the credit responsibility for debt repayment. Therefore, it is included in the overall debt of the Town.

²⁶ “Official Statement,” Town of Stonington, CT, September 22, 2004.

any underlying debt, Stonington has a legal debt margin of \$80,035,758 for General Purpose G.O. bonds. The chart below provides the calculations for Stonington's legal debt margin, but does not include underlying debt.²⁷

Computation of Legal Debt Limit as of December 2005			
Stonington Total Tax Collections Year End 2005			\$40,262,281
Legal Debt Margin	General Purposes	Other	Total
Debt Limitation	\$90,590,132	\$191,245,835	\$281,835,967
Less Outstanding Debt	\$6,750,000	\$39,647,586	\$46,397,586
Legal Debt Margin	\$83,840,132	\$151,598,249	\$235,438,381

The town received a Aa3 bond rating from Moody's Investors Services, Inc, which is considered a high quality rating. Aaa is the rating agency's highest municipal rating, as depicted on the following chart. The higher the rating, the greater the probability that the town may obtain lower financing rates for its bond issuances.

Moody's Municipal Bond Ratings

Highest	Rank
	Aaa
	Aa3
	Aa2
	Aa1
	A3
	A2
	A1
	Baa3
	Baa2
	Baa1
	Ba
Lowest	B

Issuing Bonds for Open Space in Stonington

The chart below illustrates the estimated annual debt service, required property tax increase, and annual household cost of different general obligation bond issues. For instance, a \$5 million, twenty-year general obligation bond would require a mill increase of 0.2 to meet the annual debt

²⁷ "Official Statement," Town of Stonington, CT, September 22, 2004.

service. This would cost the owner of a \$245,000 home (the 2003 median home value in Stonington) an estimated \$34.24 per year in additional property taxes. The property tax estimates assume that the town would have to raise taxes to pay debt service on bonds. The town may, however, choose to use other revenue sources, such as monies from the fund balance. In addition, as the town's tax base grows, the annual tax on existing property owners will decline.

Town of Stonington, CT Bond Financing Costs				
<i>20-year Bond Issues at 5.0% Interest Rate</i>				
<i>Total Net Grand List = \$2 billion</i>				
Bond Issue Size	Estimated Annual Debt Svce	Millage Increase Required	Cost/ Year/ Median Home Value*	Cost/ Year/ \$100K Home Property Value
\$2,000,000	\$160,485	0.080	\$13.70	\$5.59
\$3,000,000	\$240,728	0.120	\$20.54	\$8.39
\$5,000,000	\$401,213	0.200	\$34.24	\$13.98
\$8,000,000	\$641,941	0.319	\$54.78	\$22.36
\$10,000,000	\$802,426	0.399	\$68.48	\$27.95

*2003 median home value was approximately \$245,000 (\$171,500 taxable value based on 70% assessment rate).

Enactment Procedures

The Town of Stonington has the power to incur indebtedness by issuing bonds subject to the statutory debt limitations. Under the Town Charter, bond issues are authorized by majority approval at Special Town Meetings called by the Board of Selectmen. Special Town Meetings may be convened whenever the Board of Selectmen deem it necessary.²⁸ Generally, the Board of Finance would approve the bond issue prior to the announcement of the Town Meeting.²⁹ However, if the Board of Finance does not recommend the bond issue, it may still be passed by a 2/3 majority vote of those attending and eligible to vote.³⁰

The warning for any Special Town Meeting where the issuance of bonds will be decided must state the purpose, the amount of the issue, and the authority for the Town Meeting under state law. Any ballot question must begin with the word "Shall" and end with a question mark.³¹ As stated in the Town Charter, the warning must also note whether or not the authorization has been recommended by the Board of Finance. In addition, the Town Clerk must publish the warning in a newspaper at least five days prior to the Town Meeting.

²⁸ General Statutes of Connecticut, Revised to 2005, Title 7, Ch. 90, Sec 7-1.

²⁹ "Official Statement," Town of Stonington, CT, September 22, 2005.

³⁰ Stonington Town Charter, Taxation and Finance, Sect. 9-4. According to the Town Clerk's office, all property owners, including part-time residents, are eligible to vote on fiscal matters in the town.

³¹ General Statutes of Connecticut, Revised to 2005, Title 9, Ch. 152, Sec 9-369.



On March 10, 2005, voters in Newtown approved a \$10 million bond issue during a Special Town Meeting. The bond issuance was authorized unanimously by every person in attendance and eligible to vote at the Town Meeting. The revenue from the bonds will be used for the purposes of open space preservation, recreation, conservation and other municipal purposes.

Election History

Registration and Turnout

The current number of registered voters in Stonington is 12,197.³² The turnout (number of ballots cast/number of registered voters) for Stonington voters during the last few general elections has been highest during even-numbered years as is displayed in the chart on the left. As is shown, the greatest turnout in recent years was for the 2004 Presidential election (80 percent). The voter affiliation is displayed in the chart on the right. In addition, there have been 13 budget referenda since 2000. There appears to be consistent voter turnout for referenda, as the numbers ranged from a low of 9 percent turnout on one occasion to a high of 31 percent turnout on another. The chart on the following page displays this information.

Stonington Voters

Voter Turnout

Election	Reg. Voters	Turnout	Percent
General 2004	12,449	9,926	80%
General 2003	11,455	4,145	36%
General 2002	11,489	6,841	60%
General 2001	11,792	4,888	41%
General 2000	12,090	9,267	77%

Voter Affiliation

(as of 10/27/05)

Party	#
Republican	2,595
Democrat	3,412
Other/Unaffiliated	6,190
Total	12,197

³² Figures from the Stonington Town Clerk's Office and Cynthia Ladwig, Town Clerk.

**Turnout for Referendum Elections
in Stonington 2000-2005**

Date	Election Type	Ballots Cast	% Yes	% Turnout	Pass/Fail
23-May-05	Budget Referendum	2,164	53%	17%	Pass
04-May-05	Budget Referendum	1,767	48%	14%	Fail
30-Jun-04	Budget Referendum	1,743	53%	15%	Pass
03-Jun-04	Budget Referendum	1,628	48%	14%	Fail
13-May-04	Budget Referendum	1,666	44%	14%	Fail
29-Jan-04	Budget Referendum	226	21%	2%	Fail
12-Jun-03	Budget Referendum	2,830	56%	24%	Pass
27-May-03	Budget Referendum	2,127	49%	18%	Fail
22-Jan-03	Ston. Harbor Plan Rev.	486	42%	4%	Fail
22-May-02	Budget Referendum	2,407	50.1%	20%	Pass
10-Apr-02	High School	3,730	63%	31%	Pass
06-Jun-01	Budget Referendum	1,542	49%	13%	Fail
09-May-01	Budget Referendum	1,752	46%	15%	Fail
24-Apr-01	Whewell Property/Odor	1,014	49%	9%	Fail
11-May-00	Budget Referendum	1,418	50.1%	13%	Pass
03-May-00	Budget Referendum	1,212	70%	12%	Pass

Election Results

Stonington votes on fiscal matters at both town meetings and referendum elections. Most frequently, bond authorization measures are voted upon at town meetings, whereas the budget is voted upon at referendum elections.

As stated previously, Stonington has held thirteen budget referendums since 2000. As evidenced in the table on the previous page, the town is clearly divided on fiscal issues. Budget referenda often failed on their first attempt. Throughout the State of Connecticut, it is becoming more difficult to approve municipal budgets as more towns now require multiple budget votes before approval. According to a survey conducted by the Advisory Commission on Intergovernmental Relations (ACIR) in the Office of Policy and Management, 62 municipalities adopted their FY 04-05 budgets through referendum, but only half (31) approved on the first vote.

Please reference the chart below that portrays the number of votes needed for budget adoptions by all methods throughout Connecticut between 2000 and 2004. Other methods for adoption include Town Meeting, Council, etc.

Number of Votes Needed for Budget Adoption (by all methods)*

	2000	2001	2002	2003	2004
1 Vote	149 (88%)	140 (82%)	130 (77%)	129 (76%)	131 (78%)
2 Votes	9 (5%)	13 (8%)	19 (11%)	15 (9%)	19 (11%)
3 Votes	7 (4%)	10 (6%)	13 (8%)	16 (10%)	10 (6%)
4 Votes	1 (1%)	4 (2%)	4 (2%)	5 (4%)	7 (4%)
5 Votes	1 (1%)	1 (1%)	-	-	-
6 Votes	-	-	1 (1%)	2 (1%)	-

* Connecticut Advisory Commission on Intergovernmental Relations, "Connecticut Municipal Budget Adoption Experiences," www.opm.state.ct.us/igp/acir/budgadop.htm

As indicated in the chart provided below, there have been 2 fiscal measures in Stonington since 2001. The bond issue for additions and renovations to Stonington High School received a high level of support while the expenditure from the Land Acquisition Account was narrowly defeated.

Stonington Fiscal Questions				
Election	Measure	Description	Result	% Yes
April 10, 2002	Special Town Referendum	Bond issue in the amount of \$39.7 million for additions and renovations to the Stonington High School.	Pass	63%
Election	Measure	Description	Result	% Yes
April 24, 2001	Special Town Referendum	Approval for expenditure in an amount not to exceed \$55,000 from existing funds in the Land Acquisition Account.	Rejected	49%

The State of Connecticut has a 93 percent passage rate for open space measures.³³ Since 1995, 54 such measures have been voted on and 50 have passed, primarily at the ballot. The chart on the following page displays successful municipal measures that appeared on ballots throughout the state since 2000. As is shown, nearly all of the jurisdictions chose general obligation bonds as the finance mechanism ranging in amounts from \$300,000 to over \$11 million.³⁴

³³ The Trust for Public Land, LandVote database™ <http://www.conservationalmanac.org/landvote/cgi-bin/nph-landvote.cgi>.

³⁴ The Town of Groton in New London County issued \$8 million in bonds for open space, conservation and recreation purposes on 11/8/88. This example is not included in the chart on the following page since it did not occur between 2000 and 2005.

Passing Connecticut Conservation Ballot Measures 2000 to 2005

Jurisdiction Name	Date	Finance Mechanism	Conservation Funds Approved	% Yes	% No
South Windsor	11/8/2005	Bond	\$4,000,000	64%	36%
Farmington	5/5/2005	Bond	\$1,000,000	61%	39%
East Lyme*	4/11/2005	Bond	\$2,000,000	N/A	
Newtown*	3/10/2005	Bond	\$10,000,000	N/A	
Glastonbury	11/2/2004	Bond	\$4,000,000	67%	33%
Manchester	11/2/2004	Bond	\$3,000,000	58%	42%
Shelton	11/2/2004	Bond	\$3,000,000	78%	22%
Plainville	11/2/2004	Bond	\$950,000	62%	38%
New Hartford	6/24/2004	Bond	\$1,500,000	74%	26%
Farmington	5/6/2004	Bond	\$1,500,000	67%	32%
Southington	4/27/2004	Bond	\$1,610,000	68%	32%
Glastonbury	11/4/2003	Bond	\$3,000,000	73%	27%
Shelton	11/4/2003	Bond	\$2,000,000	72%	28%
Tolland	11/4/2003	Bond	\$2,000,000	72%	28%
Southington	10/15/2003	Bond	\$2,000,000	71%	29%
Orange	9/24/2003	Bond	\$2,000,000	71%	29%
Granby	6/16/2003	Bond	\$2,100,000	70%	30%
Farmington	5/1/2003	Bond	\$3,500,000	59%	41%
East Haddam	1/28/2003	Bond	\$5,000,000	85%	15%
Cheshire	11/5/2002	Bond	\$3,000,000	64%	36%
Middletown	11/5/2002	Bond	\$2,500,000	73%	27%
Westbrook	1/24/2002	Bond	\$2,200,000	86%	14%
Glastonbury	11/6/2001	Bond	\$3,000,000	75%	25%
Southbury	10/17/2001	Other	\$8,650,000	88%	13%
Ridgefield	9/1/2001	Bond	\$11,600,000	69%	31%
Guilford	12/5/2000	Bond	\$5,100,000	77%	23%
Southington	11/7/2000	Bond	\$2,000,000	73%	27%
Manchester	11/7/2000	Bond	\$300,000	60%	40%
Tolland	10/3/2000	Bond	\$2,000,000	65%	35%
Killingworth	6/19/2000	Bond	\$740,000	79%	21%
Wilton	5/2/2000	Bond	\$4,100,000	83%	17%
Woodbridge	2/8/2000	Bond	\$4,400,000	100%	0%

* Bond issue passed at Town Meeting and included for illustrative purposes.

Conclusion

The conservation of land helps to preserve the town's quality of life by protecting important stream belts, creating parks for use by current and future residents and addressing other important open space priorities. This has been identified as a top priority amongst Stonington residents. In order to achieve its open space goals, the town should pursue a bond authorization. Doing so would enhance Stonington's open space program by allowing the town to act more quickly in today's fast moving real estate market, establishing credibility with landowners and aiding in the pursuit of grant opportunities to leverage town funds. Coupled with donations and other non-revenue methods of protecting open space, a bond authorization would help to create a comprehensive program aimed at reaching the community's goals for maintaining the quality of life that Stonington's residents presently enjoy.

To determine the appropriate amount of a bond authorization, several factors should be taken into consideration, including, remaining debt capacity, high bond rating, cost to taxpayers, precedent for open space bonding in other towns and open space acquisition priorities. Given the fast rate of development in the town, increasing population and stated open space goals, a bond in the range of \$3 million to \$8 million should be considered.



Appendix

Appendix A: Local Revenue Options Matrix

Revenue Option	Description and Generating Potential				Implementation Process	Comments
General Obligation Bonds	<u>Bond Issue</u>	<u>Annual Debt Service</u>	<u>Prop Tax Increase</u>	<u>Annual Cost/Median HV*</u>	Majority voter approval is required at a regular, special or Town Meeting.	Pro: Bonds raise substantial amounts of money, enabling the town to make important acquisitions now while land is available.
	\$2 million	\$160,485	0.080	\$13.70		
	\$3 million	\$240,728	0.120	\$20.54		
	\$5 million	\$401,213	0.200	\$34.24		
	\$8 million	\$641,941	0.319	\$54.78		
	The debt service figures for the proposed bond issue above are based upon a general obligation bond issued for 20 years at 5 percent interest. This rate is only used for illustration purposes. Town officials, financial advisors, bond counsel and underwriters would establish the actual terms of any bond issue.				Pro: Costs would be spread out over a long time horizon, and therefore borne by both current and future beneficiaries.	
	* Home Value				Pro: Bonding is a familiar finance mechanism in Stonington. Con: Interest increases the total cost.	