



## Woodridge Lake Sewer District

113 Brush Hill Road  
PO Box 258  
Goshen, CT 06756

May 3, 2024

Dear Taxpayer,

Status:

Our wastewater plant is now 53 years old and well beyond its normal useful life, and unexpected repairs are virtually certain at any time. We have spent the last three years waiting for the Litchfield WPCA to begin developing its 20-year Facilities Plan which DEEP wants us to be a part of. During that period the District stopped all planning on designing the pipeline to connect to Litchfield's wastewater treatment facility. Until DEEP approves such a pipeline project, we will make every effort to minimize tax increases by the judicious use of preventative maintenance and cost-effective solutions to critical operational issues that may arise during 2024/2025.

During the last year we have had several discussions with DEEP regarding the extended timeline and risk of approval by Litchfield voters of a WLSD pipeline to their WPCA. The Board has spent limited funds and time to develop our argument for an on-site solution without achieving a DEEP agreement of our position. If the Litchfield pipeline project or an on-site solution moves forward, the District will submit a financial plan for taxpayers to vote to authorize funding before the project is initiated. The Board is very frustrated at this point.

Recommendation:

The Board is recommending a mill rate of 4.6 for the upcoming fiscal year beginning July 1, 2024. The proposed mill rate level increases the total tax levy by just 1% over the prior year due to revised property assessments. The proposed operating budget is focused on maintaining the collection system, repairing the plant's infrastructure, and improving operating efficiency.

The tax revenue at 4.6 mil rate will raise \$1,617,617, based on the assessed value of the grand list of \$351,655,000. The Board recommends a balanced budget of \$1,732,217 consisting of Operating expenses of \$1,149,487 and a transfer to Capital of \$582,779.

Revenue and Expense Overview:

Our 2023/2024 budget assumed that our assessment and other revenues were sufficient to pay for operating expenditures of \$1,166,697, which included debt service of \$17,667 and for a transfer to our capital reserves of \$514,919 for future capital needs. Based on our current projections for this fiscal year, our income will be \$1,703,7769, which is above budget by \$22,153. Our projected operating expenses of \$1,084,818 will be less than the budget of \$1,166,697 primarily because of reduced part time hours and overtime reduction saving \$48,263 and \$39,240 less in repairs and maintenance of the plant and collection system. The net impact increased our projected transfer to capital reserves by \$104,032.

The Board is projecting an ending Fund Balance of about \$643,668 on June 30, 2024 which is \$365,100 over plan. For more detailed financial information for 2023/2024, please review the enclosed material, which reflects the budget and forecasts for expenditures for the year ending June 30, 2024.

#### 2024/2025 Activities and Budget:

In the coming year, operating expenses are budgeted to be \$1,149,437, and a transfer to Capital of \$582,779. The increase in operating expenses is only \$81,879 or 1.48%. The Board has continued the high transfer amount to the Fund Balance to build a balance for an anticipated engineering planning cycle to revise the Litchfield pipeline planning or an on-site solution. Now, there are no planned upgrades to the plant as we await a re-engagement with the Litchfield WPCA or a decision from DEEP regarding an on-site solution.

In the following year, we are continuing our maintenance and repairs of the collection system via CCTV of 4-miles of the pipeline to identify needed repairs to prevent infiltration at a cost of \$270,000.

We have not proposed capital spending on the pipeline project pending a decision from Litchfield or the DEEP regarding although we are spending \$60,000 to develop a concept plan for an on-site solution if that option is available. The Board will need to call a Special Taxpayer Meeting to gain approval to fund any capital project when appropriate. For more detailed financial information for 2024/2025, please review the enclosed material, reflecting the plan for expenditures for the year ending June 30, 2025.

The Connecticut legislature passed within Bill No. 6690 LOC No. 10579 a grant of \$3,000,000 to help the District resolve the long standing issues with DEEP. The Board has been in touch with State Representative Maria Horn and State Senator Stephen Harding to assist in working to have these funds released. Senator Stephen Harding has recently pledged his support and are planning to submit an additional funding grant in support of our efforts. These funds will be important to not only reduce the impact on you, the taxpayers in a future capital project but also to show support to the USDA, which is our target funder as we move forward.

#### Budget Meeting and Approval:

The budget vote has been scheduled for Saturday, May 25, 2024 commencing following the Woodridge Lake Property Owners' Association Board meeting at the Woodridge Lake Club House

WLSB Board