



The Town Manager's Proposed

FY 25 **BUDGET IN BRIEF**

Photo by Len Hellerman

Budget Introduction

The preparation of the proposed FY 2025 operating budget has been a challenge, given state mandated property revaluation which reflects significant appreciation of residential property values and the more modest increase in non-residential values, as well as a notable decrease in motor vehicle values. Property revaluation creates a set of difficult decisions for the upcoming budget process as the tax impact on residential properties is projected to be significant. The choices and decisions made will need to balance maintaining service levels, meet increasing service demands, and taxpayer's ability and willingness to pay.

This budget supports a variety of daily tasks and initiatives that comprise the services and programs the Town of Windsor delivers to residents, businesses and visitors.

Grand List & Revaluation

The October 2023 grand list reflects the results of State-mandated property revaluation which the town is required to conduct every five years at minimum. The net taxable grand list for October 1, 2023 is \$4,439,061,648, which is an increase of 24.89%. This is without a doubt the largest increase to the grand list in one year that Windsor has experienced in many decades if not ever.

The results of property revaluation on residential property values are by no means unique to Windsor. According to the Federal Housing Finance Agency Quarterly Report dated November 2023, single-family housing prices nation-wide have seen a 59% increase over the last five years. In the New England region, the increase is over 63% for the same time period. Housing prices in all major metropolitan areas in Connecticut have increased upwards to 63% as well.

The main driver of the increase is the real estate component of the grand list, which increased \$838.2 million or 31.5%. Personal property saw an increase of \$65.4 million or 11.1%, while motor vehicles decreased \$19 million or 6.2%. Below is a breakdown of the real estate portion of the grand list.

Property Type	Net Assessment Change
1, 2 & 3 family residential properties	49.70%
Condominiums and Planned Communities	42.50%
Apartments	59.60%
Non-Residential property (office, commercial & industrial)	4.90%
Total Real Estate List	31.50%

Our commercial property segment of the grand list increased only 4.9% due to large decreases in class A office building values, which came as a result of high vacancy rates attributable to many large businesses employing remote and work-from-home models. Without such a loss in the office category, the non-residential segment would have increased nearly 20% in assessed value.

FY 25 Proposed Budget

The overall proposed town and BOE expenditures equal a 4.64% increase or \$6,465,090. The Board of Education (BOE) budget proposes a 6.40% increase, or \$5,129,320. The General Government budget is proposed to increase 2.26% or \$1,335,770. A large portion of this increase is the tax transfer payment to the Great Pond Improvement District, which this year is increasing \$772,200 due to new economic development. The Town's General Fund receives an equal amount. The General Government budget does not include any new full-time positions.



FY 25 Proposed Expenditures

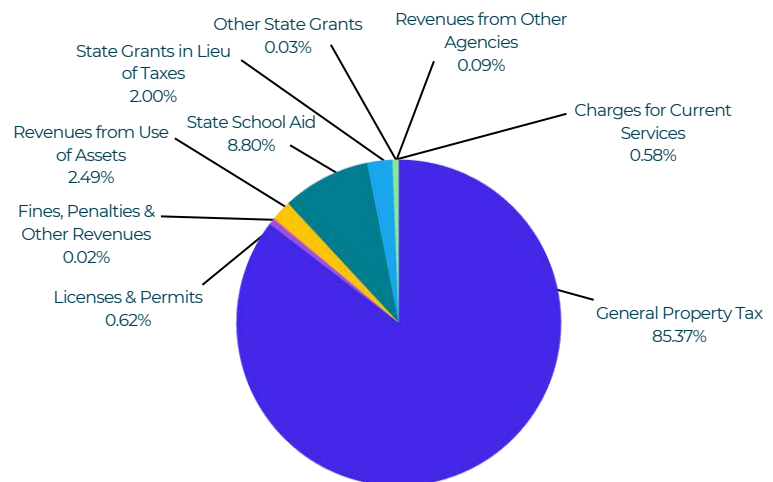
Below is a breakdown of the primary General Fund categories comprising the \$6.5 million budget increase:

Budget Component	FY 2024 Adopted Budget	FY 2025 Proposed Budget	\$ Change	% Change
Board of Education	80,184,020	85,313,340	5,129,320	6.40%
Town Operating Budget	40,839,130	41,907,540	1,068,410	2.62%
Sewer Service (MDC)	4,720,080	4,771,220	51,140	1.08%
Debt Service	8,324,320	8,519,040	194,720	2.34%
Great Pond Improvement District	623,500	1,395,700	772,200	123.85%
Other Post-Employment Benefits (OPEB)	800,000	775,000	(25,000)	-3.13%
Capital Projects & Open Space	3,714,700	2,989,000	(725,700)	-19.54%
Total	\$139,205,750	\$145,670,840	\$6,465,090	4.64%

FY 25 General Fund Revenues by Source

Revenues

Of the \$145,670,840 proposed General Fund revenues, \$122,521,400 (84%) will come from the current property tax levy, and \$23,149,440 from other revenues including State Aid. The FY 25 budget proposal does not assume any funding to come from the Opening Cash category, as per town council direction.



Tax Rate & Impact

The proposed budget resets the mill rate from 33.60 to 28.26. The budget related tax impact is 3.21%. In addition, there will be a tax increase based on how revaluation changed individual assessments or values.

Revaluation Effect on a Single Family Home Valued at \$213,000 on 10/1/2022:

	10/1/2022	10/1/2023	\$ Change	% Change
Market Value	\$213,000	\$321,630	\$108,630	51.0%
Assessed Value @ 70%	\$149,000	\$225,141	\$76,041	51.0%
Taxes at 33.60 Mills (FY 24 Current)	\$5,010			
Taxes at 28.26 Mills (FY 25 Proposed)		\$6,362		
Tax Increase			\$1,352	26.99%

	\$ Change	% Change	
FY 25 Budgetary Tax Increase	\$161	3.21%	Proposed budget without revaluation
Tax Increase due to Revaluation	\$1,191	23.77%	Proposed budget with revaluation
Total	\$1,352	26.99%	

FY 25 Board of Education

Current Reality: Keeping in mind that we are still realizing the aftermath of the pandemic and inflation rates are at an all-time high. The goal was to not cause further hardship to the community, while understanding that we must continue to educate our students at the highest level possible.

Academics: Use of research-based instructional practices to improve achievement of all students, ensuring students graduate on time and are college and career ready.

Climate: Use of research-based practices to provide personalized learning experiences empowering students to be self-directed learners and increase student agency.

Talent: Recruit, hire, develop and retain exemplary school leaders, teachers and support staff.

Systems: Improve outcomes for all students by enhancing Multi-Tiered Systems of Support (MTSS) and aligning the work of Professional Learning communities (PLCs) and data teams.

Budget Challenges:

- Contractual Obligations/Benefits Increase of \$2,993,852 - The increase is due to contractual salary increases and mitigated by retirements and benefit changes
- Utility & Supply Costs - \$235,000 – Inflation rates are at an all-time high
- Student Transportation & Fuel - \$339,126
- Magnet School Tuition - \$200,000 – The increase is due to Magnet Schools raising tuition costs
- Unfunded State Mandates – School Indoor Air Quality & HVAC Inspections; Elementary Reading Program.

Efforts Funded:

- Maintain optimal class size throughout district
- Maintain the previously funded ESSER Grant positions to continue to support Social Emotional Learning; small group instruction and intervention; pupil support services including social work and nursing services
- Ensure well-maintained and secure buildings.

Learn More About This Budget

Visit us at townofwindsorct.com/finance/town-budget/fy25/tax-calculator, enter your address in the tax calculator and see the impact this proposed budget has on your property tax.

Go to budget.windsorct.com to simulate the town budget however you would like. This online tool allows you to redistribute funding to different areas, re-balance the budget and experiment with different ideas.

Budget Referendum: Tuesday, May 14, 2024

All polling locations open from 6:00 AM to 8:00 PM

**Tentative until approved by Windsor Town Council.*

View the entire FY 25 proposed budget at townofwindsorct.com/finance/town-budget/fy25. Copies are also available at the Windsor Library, the Wilson Library and the Town Clerk's Office at Town Hall.

Contact Us

Windsor Town Manager, Peter Souza at townmanager@townofwindsorct.com or 860-285-1800.

Windsor Town Council at budgetcomments@townofwindsorct.com.

Tax Relief for Seniors & Veterans: Guidelines for additional tax relief for qualified Windsor seniors, disabled persons and Veterans are available at the Town Assessor's Office at 860-285-1816.