

Citizen's Guide to the Windsor Town Budget

In Windsor, the method we use to determine our town budget is an open process. Every adult citizen who is registered to vote – property owners and those who rent – is welcome to participate in determining the town budget.

This is where your involvement is really important because your vote really does count. What you think makes a difference, right here in your home town. Please take the time to vote on your town's budget.

This guide provides basic information about the budget process and, while understanding the process may not change how you feel about taxes, it can help you take part in the ongoing conversation about taxes and the services they pay for.

Budget Workshops for Windsor Residents

January 28 • March 30
Windsor Town Hall
7:00 PM to 9:00 PM

Meet with Town Manager Peter Souza in an informal setting to hear updates on the development of the fiscal year 2016 budget. Participate in group discussions with other residents to offer your thoughts on how to prioritize spending while meeting the needs of the community.

A message from the Town Manager

Each budget year presents difficult choices that have to be made and Windsor's 2016 town budget will be no different. The largest unknown at this juncture is how the state budget will impact Windsor in terms of assistance and grants.

In past years we have been very careful to control our costs and that's a good starting point for us now. Identifying cost efficiencies is a continuous and integral component of the budget development process and significant savings have been realized in three particular areas this past year. The conversion to gas heating at the JFK, Clover, Oliver Ellsworth, Sage Park and Windsor High Schools has resulted in an estimated savings of \$350,000. Solar panels were installed this past year at the ambulance facility and the community center at 330 Windsor Avenue at no cost to the town. Finally, the town has been awarded nearly \$3 million in the past two years in grant funding.

This "Citizen's Guide to the Windsor Town Budget" explains the process. I hope you will find it a useful introduction and accept it as an invitation to participate in creating a budget that maintains the services that we as Windsor residents expect. I will be out in the community often discussing our budget and asking for your ideas.

Working together, we've met the budget challenge before and we can do it again.

Peter Souza
Town Manager

Get involved with the process

Creating a budget that maintains important services, provides a good education for our children and doesn't raise taxes to unacceptably high levels is a challenge and citizen input is an important ingredient. The town manager and the town council want to know what you think as they prepare our town budget.

You don't need a background in accounting or a degree in public policy. You only need to have interest in Windsor's future to come out and voice your ideas, needs and viewpoints.

You can do that in a number of ways. First, you can attend any town council meeting and make yourself heard. If you aren't comfortable with speaking before a group, you can send a note or email the town manager or any member of the town council outlining your ideas and concerns. What's most important is to be heard.

Windsor Town Council

towncouncil@townofwindsorct.com

Peter Souza, Town Manager

townmanager@townofwindsorct.com
860-285-1800

Every comment and communication is appreciated and will be considered.

Remember, everyone has a stake in this process. If you don't pay real estate taxes because you rent, your landlord does pay taxes and that will eventually affect you. If you don't have children in the Windsor School system, you should still have an interest in the quality of our schools because good schools are part of the foundation of every successful community and have a positive affect on the value of your home.

Seniors and Veterans – You may be eligible for reduced taxes ...

A Guide to Tax Reductions and Benefits Available to Qualified Windsor Residents is a pamphlet that describes a variety of exemptions and benefits available to individuals meeting the income and/or age guidelines as determined by State of Connecticut regulations. To get your copy or to learn more, visit the town's website at townofwindsorct.com or call the Town Assessor's office at 860-285-1816.

How our town budget works

Beginning in December each year, town employees begin to review programs and services to estimate how much it will cost to operate the town in the 12 months beginning July 1. That money comes from property taxes, federal and state grants and from town agencies that collect fees.

At the same time, the town makes an estimate of how much it will have to spend to maintain and/or enhance the services that residents and businesses expect.

Also during this period, the board of education and the Windsor school's administrative staff estimate how much it will cost to operate the schools and school-related services for the next year.

The town manager then takes the estimate of the income the town expects along with the estimates of spending from the town staff and the board of education and presents them to the town council. This is called the **Town Manager's Proposed Budget** and it is really just a starting point.

Next, the town council examines the budget and conducts budget hearings with all town departments throughout the month of April to discuss and suggest changes. When the town council approves the final budget, it is put up for a vote at what is called an Adjourned Town Meeting Referendum, more commonly known as the **"budget referendum."**

The voters in Windsor are then asked to approve – or disapprove - the budget. If voters don't approve the budget, town staff and the Board of Education, through the Town Manager, modify and resubmit their proposals to the Town Council and then once again, to the voters. Only after the voters have approved the budget can it become the income and spending plan for the town.

The budget is about choices

In making budget choices, the town council has to face certain realities. There are many new services that we would all like the town to provide but that we simply can't afford. In fact, we may not be able to afford some things that we have enjoyed in the past.

There are certain expenses that must be included in the budget at some level. For instance, we must have police services and schools. This is a question of the level of service delivery that our residents have a right to expect.

If we choose to reduce what we are willing to pay for these and other essential services too far, our town will change in ways that none of us want.

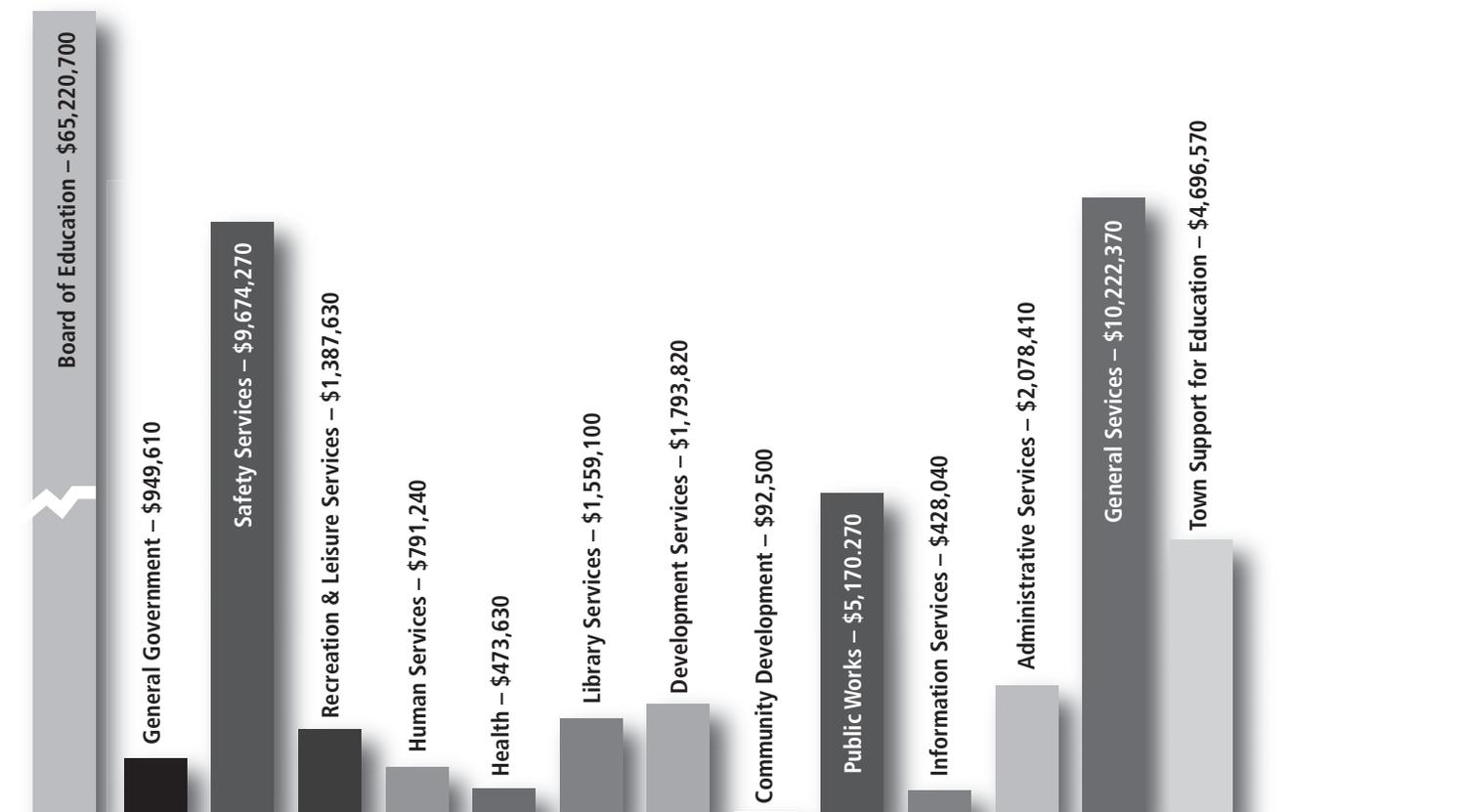
There are other "fixed" costs in the town's budget that continue to rise, and that the town is obligated to absorb. High on the list are fuel costs, the MDC's fees for sewer service, utilities, salaries that are mandated by collective bargaining agreements, and health insurance costs for town and school employees.

The Mill Rate: Calculating your taxes

One "mill" produces one dollar for each \$1,000 of property assessment. For example:

If your house has a current fair market value of \$200,000. (The assessment is 70% of its current market value: \$140,000) The current Mill Rate is 30.47. Therefore $140 \times 30.47 = \$4,266$ in tax.

Windsor's expenditures for Fiscal Year 2015 are \$104,538,160.



The Town's Household Budget

Your Household	→	The Town
Mortgage or rent	→	Debt service
Taxes	→	Mandates, required services
Utilities, food, gas	→	Utilities, gas, salaries, benefits
Savings account	→	Fund balance, reserves
Maintenance projects	→	Capital Improvement Plan (CIP)
Phone, Cable, Internet	→	Technology, replacement equipment
"Nice-to-have" items	→	Enhanced services/programs

The budget is about fiscal responsibility and looking ahead

The reality is that the choices we make as to how much income we can expect and how much we can spend this year have an affect on future years as well. If, for instance, we elected to reduce the size of our public works department to the point where we could no longer maintain one or more of our parks or town buildings, we would be placing the extra cost of reclaiming those facilities on some future year's budget.

The reverse is also true. If we include a new service of some kind in our budget now, we could be obligating ourselves as a community to continue it in future years.

The taxes we pay on real estate, automobiles and other personal property have a long-term influence on our town. We must be aware of our residents' ability and willingness to pay for services. If our tax rate is perceived as being too high, residents living on fixed incomes will move

away and those shopping for new homes will avoid us. Businesses that now pay approximately 40% of all town taxes, may relocate to areas that are cheaper. The vitality and diversity that make our town such a good place to live would quickly disappear.

Like any household or business, we have to be careful about what we borrow. We must repay money that we, as a community, made a decision to borrow in the past. The money used to renovate Windsor High School and the Windsor Public Library are good examples of this.

Also, like any family, we need to maintain a savings account. For the town, that's called our Fund Balance and it represents revenues that we have collected over the years but did not spend. It is tempting to dip into those savings to cover our ongoing expenses, but that may not be fiscally responsible because the size of our Fund Balance is closely watched by the financial community and various government agencies. If our Fund Balance gets too low, our credit rating will be affected and it may cost us more to borrow in the future.

Our challenge then is to figure out just how much, if anything, we can spend on each service the town provides.

After the town manager presents his budget to the town council in early April, the council will begin evening meetings with various town departments. The public is always welcome at these meetings, which are televised on WGTV, Channel 96. Once the town council votes on a final budget, it sets the date of the budget referendum.

The town's website, townofwindsorct.com is also a great resource for learning more about the budget. You can view a videocast of budget meetings live or view archived meetings and stay updated on meeting schedules to keep pace with the process.

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