2017-2018 Joint Budget Presentation

Kate Carter, Ed.D., Superintendent of Schools
Matthew B. Galligan, Town Manager
### FY 2018 Original Budget Proposals

<table>
<thead>
<tr>
<th>Category</th>
<th>FY 2017 Adopted</th>
<th>FY 2018 Requested</th>
<th>$ Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Town Operating</td>
<td>32,216,389</td>
<td>33,631,876</td>
<td>1,415,487</td>
<td>4.39%</td>
</tr>
<tr>
<td>Debt</td>
<td>7,330,506</td>
<td>7,978,505</td>
<td>647,999</td>
<td>8.84%</td>
</tr>
<tr>
<td>Capital</td>
<td>1,264,213</td>
<td>1,497,154</td>
<td>232,941</td>
<td>18.43%</td>
</tr>
<tr>
<td>Board of Education</td>
<td>71,752,070</td>
<td>72,752,917</td>
<td>1,000,847</td>
<td>1.39%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>112,563,178</strong></td>
<td><strong>115,860,452</strong></td>
<td><strong>3,297,274</strong></td>
<td><strong>2.93%</strong></td>
</tr>
</tbody>
</table>

*Note: The above table represents the budget proposals for FY 2018 compared to FY 2017. The changes in dollars and percentages show the increase or decrease in spending for each category.*
Governor’s Proposal: Impact to South Windsor

<table>
<thead>
<tr>
<th>Description</th>
<th>FY 2017 Adopted</th>
<th>FY 2018 Proposed</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education Cost Sharing</td>
<td>12,486,098</td>
<td>5,329,310</td>
<td>(7,156,788)</td>
</tr>
<tr>
<td>Mashantucket Pequot &amp; Mohegan Fund</td>
<td>54,351</td>
<td>55,258</td>
<td>907</td>
</tr>
<tr>
<td>Motor Vehicle Property Tax (NEW)</td>
<td>-</td>
<td>830,111</td>
<td>830,111</td>
</tr>
<tr>
<td>Municipal Projects (MRSA)</td>
<td>1,338,190</td>
<td>-</td>
<td>(1,338,190)</td>
</tr>
<tr>
<td>Municipal Revenue Sharing (MRSF)</td>
<td>558,715</td>
<td>804,258</td>
<td>245,543</td>
</tr>
<tr>
<td>PILOT: State-Owned Real Property</td>
<td>78</td>
<td>8,115</td>
<td>8,037</td>
</tr>
<tr>
<td>Special Education (NEW)</td>
<td>-</td>
<td>3,706,840</td>
<td>3,706,840</td>
</tr>
</tbody>
</table>

**FY 2018 Special Education Excess Cost Estimated Reimbursement** *  
1,226,149 - (1,226,149)

**Total Revenue Adjustments**  
15,663,581 - 10,733,892 (4,929,689)

This table includes the FY 2017 budgeted revenue amounts for only those line items that have a direct budgetary impact.

* To accurately reflect the proposed reduction in FY 2018 budgetary revenues, the estimated FY 2018 Special Education Excess Cost Reimbursement amount is included above.
Budget Reduction Scenarios
Reduce Town operating budget by $1.2M
- Transfers:
  - $2.0M from savings generated in health care
  - $350k from capital non-recurring
- Use of Fund Balance $1M *

* FY 2017 adopted fund balance at $850k

Reduce operating budget by: $1.5M
- $1.3M Personnel Reductions (26.1 FTE)
- $200k Program Reductions

Current Scenario: $4,929,689

Town of South Windsor

Board of Education

4.39% ↓
0.81%

1.39% ↓
- 0.76%
<table>
<thead>
<tr>
<th>Reduction Amount</th>
<th>Tax Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>$3,697,266</td>
<td>1.99%</td>
</tr>
<tr>
<td>$2,464,844</td>
<td>1.99%</td>
</tr>
<tr>
<td>$1,232,422</td>
<td>1.99%</td>
</tr>
</tbody>
</table>
75% Scenario: $3,697,266

Town of South Windsor

- Reduce Town operating budget by $920k
- Transfers:
  - $1.85M from savings generated in health care
  - $350k from capital non-recurring
- Use of Fund Balance $700k *

* FY 2017 adopted fund balance at $850k

Board of Education

- Reduce operating budget by: $1.0M
  - $910k Personnel Reductions (17.1 FTE)
  - $90k Program Reductions

4.39% → 1.54%

1.39% → 0.0%
50% Scenario: $2,464,844

Town of South Windsor

- Reduce Town operating budget by $780k
- Transfers:
  - $800k from savings generated in health care
  - $350k from capital non-recurring
- Use of Fund Balance $650k *

* FY 2017 adopted fund balance at $850k

Board of Education

- Reduce operating budget by: $1.0M
  - $910k Personnel Reductions (17.1 FTE)
  - $90k Program Reductions

4.39% ↓ 1.97%

1.39% ↓ 0.0%
**25% Scenario: $1,232,422**

**Town of South Windsor**

- Reduce Town operating budget by $300k
- Transfers:
  - $200k from savings generated in health care
  - $200k from capital non-recurring
- Use of Fund Balance $650k *

**Board of Education**

- Reduce operating budget by: $1.0M
  - $910k Personnel Reductions (17.1 FTE)
  - $90k Program Reductions

* FY 2017 adopted fund balance at $850k

- Town of South Windsor: 4.39% → 3.46%
- Board of Education: 1.39% → 0.0%
Tax Increase History

<table>
<thead>
<tr>
<th>% Tax Increase</th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017</th>
<th>Proposed FY 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.00%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.00%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.00%</td>
<td>1.74%</td>
<td>2.90%</td>
<td>2.19%</td>
<td>1.99%</td>
</tr>
<tr>
<td>2.00%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.00%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0.00%</td>
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</tr>
</tbody>
</table>

FY 2018 Revised Budget
Estimated 1.99% Tax Increase:

- $75 @ $200k Home
- $155 @ $300k Home
Recent Efforts to Achieve Efficiencies

- CT Prime - Stop Loss Self Insured
- High Deductible Health Plans
- Pension Changes from Defined Benefit to Defined Contribution
- Food Service Movement to Management Company
- Economic Development Initiatives
- Wapping School Closure
- Improved Facility Efficiencies
Municipal Tools for Consideration

- Further reductions within the budget year
- Increase Town and BOE fees
- Special revenue fund for garbage collection
- Cease leaf collection
- Supplemental tax