

**EXPLANATION OF REFERENDUM QUESTION #2
TO BE VOTED ON AT THE STATE ELECTION
TO BE HELD ON NOVEMBER 8, 2022**

Explanatory text prepared in accordance with Section 9-369b of the Connecticut General Statutes, as amended.

The South Windsor Town Council, at its Regular Meeting held on July 18, 2022, approved the following Resolution "Resolution Appropriating \$35,470,000 For The Planning, Design, Construction And/OR Replacement Of Town-Wide Road Paving, Sidewalks And Drainage Improvements And Authorizing The Issuance Of \$35,470,000 Bonds of the Town To Meet Said Appropriation And Pending The Issuance Thereof The Making Of Temporary Borrowings For Such Purpose" and further voted to submit said Resolution, in accordance with the Town Charter, to the electors and qualified voters of South Windsor for approval or disapproval at a referendum to be held in conjunction with the November 8, 2022 statewide election with polling time of 6:00 a.m. to 8:00 p.m.

Pursuant to Section 9-369b of the Connecticut General Statutes, as amended, the Town Council authorized the Town Clerk to prepare, with the approval of the Town Attorney, an explanatory text with respect to the question on the ballot. The explanatory text will be furnished to each applicant for an absentee ballot and will be made available for public distribution and at the polling places. The full text of the Resolutions, as approved by the Town Council, are on file and available for public inspection at the office of the Town Clerk, Town Hall, 1540 Sullivan Avenue, South Windsor, CT 06074 during the Town's regular business hours.

The ballot label for said question will read as follows:

QUESTION #2

"Shall the resolution appropriating and authorizing bonds in the amount of \$35,470,000 for the planning, design, construction and/or replacement of Town-wide road paving, sidewalks and drainage improvements be approved? YES NO"

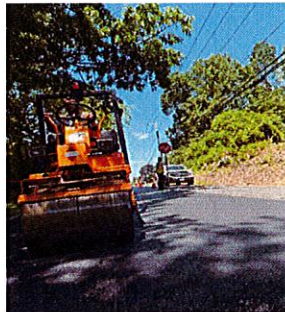
EXPLANATION

This appropriation would be used for:

- Road Repairs and improvements to various Town roadways, identified in the "Paving for Progress Plan" (found @ www.southwindsor-ct.gov/SWPFP) dated March 8th, 2022 prepared by the Public Works Department consisting of milling and removal of waste materials, paving and materials, installation of new road base and any other items incidental to road construction and maintenance including but not limited to, design, planning, traffic protection, signage, line markings etc.; and



Paving for Progress QR



- Sidewalk Repairs and improvement to various sidewalk locations, consisting of new installations along with maintenance of existing and any other items incidental to sidewalk maintenance and installation including but not limited to, design, planning, land acquisition/easements etc; and
- Drainage Repairs and improvements to the Towns storm water conveyance system, consisting of inspection, removal or repair, and any other items incidental to drainage maintenance including but not limited to, design, trench support, traffic protection, disposal etc.

This appropriation would be used to plan, design, construct and acquire any land required for these improvements. Said appropriation is exclusive of any and all State and Federal grants-in-aid thereof and may be used for administrative, financing, legal and other costs of issuance related thereto. The Town Council may, by resolution duly adopted, add to or delete from the list of proposed projects provided the total appropriation and bond authorization does not increase.

PROJECTED NET PROJECTS COST TO TOWN OF SOUTHWINDSOR TAXPAYERS:

	Roads	Sidewalks	Drainage	Total Project Costs
Total Estimated Gross Project Costs	\$25,470,000	\$5,000,000	\$5,000,000	\$35,470,000
Total Estimated Net Project Costs	\$25,470,000	\$5,000,000	\$5,000,000	\$35,470,000 *

* \$35,470,000 Town funding is anticipated to be a series of bond issuances over 5 to 6 years, each with a 20-year payback period utilizing estimated interest rates from 5.0% -5.75%

PROJECTED MILL RATE IMPACT: The estimated annual impact on the Town's Mill Rate assumes annual growth in the taxable Grand List of .5%. Taking into consideration the Town's current mill rate of 37.88 and estimated bond issuance in accordance with the project cash flow needs, the estimated additional taxes for each \$100,000 of assessed value would be \$5.00 in Fiscal Year (FY) 2024, increasing to \$16.00 in FY 2025, \$18.00 in FY 2026, \$16.00 in FY 2027, and \$20.00 in FY 2028. This amount may gradually decrease thereafter by \$20.00 each year as other debt service is paid off. (See Table and example tax calculation below) **Under these circumstances, the estimated average annual cost related to these projects from FY 2024 through FY 2028 is calculated to be .15 mills, or \$15.00 per each \$100,000 of assessed property value, which is approximately \$1.25 per month.**

Home Market Value	Taxable Assessment	2024	2025	2026	2027	2028	Total Cost	Avg Annual Cost	Avg Monthly Cost
200,000	140,000	\$ 7.00	\$ 22.40	\$ 25.20	\$ 22.40	\$ 28.00	\$ 105.00	\$ 21.00	\$ 1.75
250,000	175,000	\$ 8.75	\$ 28.00	\$ 31.50	\$ 28.00	\$ 35.00	\$ 131.25	\$ 26.25	\$ 2.19
300,000	210,000	\$ 10.50	\$ 33.60	\$ 37.80	\$ 33.60	\$ 42.00	\$ 157.50	\$ 31.50	\$ 2.63
350,000	245,000	\$ 12.25	\$ 39.20	\$ 44.10	\$ 39.20	\$ 49.00	\$ 183.75	\$ 36.75	\$ 3.06
400,000	280,000	\$ 14.00	\$ 44.80	\$ 50.40	\$ 44.80	\$ 56.00	\$ 210.00	\$ 42.00	\$ 3.50
450,000	315,000	\$ 15.75	\$ 50.40	\$ 56.70	\$ 50.40	\$ 63.00	\$ 236.25	\$ 47.25	\$ 3.94
500,000	350,000	\$ 17.50	\$ 56.00	\$ 63.00	\$ 56.00	\$ 70.00	\$ 262.50	\$ 52.50	\$ 4.38
Mill Rate Increase:		0.05	0.16	0.18	0.16	0.20			