Regional School District #17
Superintendent's Proposed Budget

Fiscal Year 2025 (FY25)

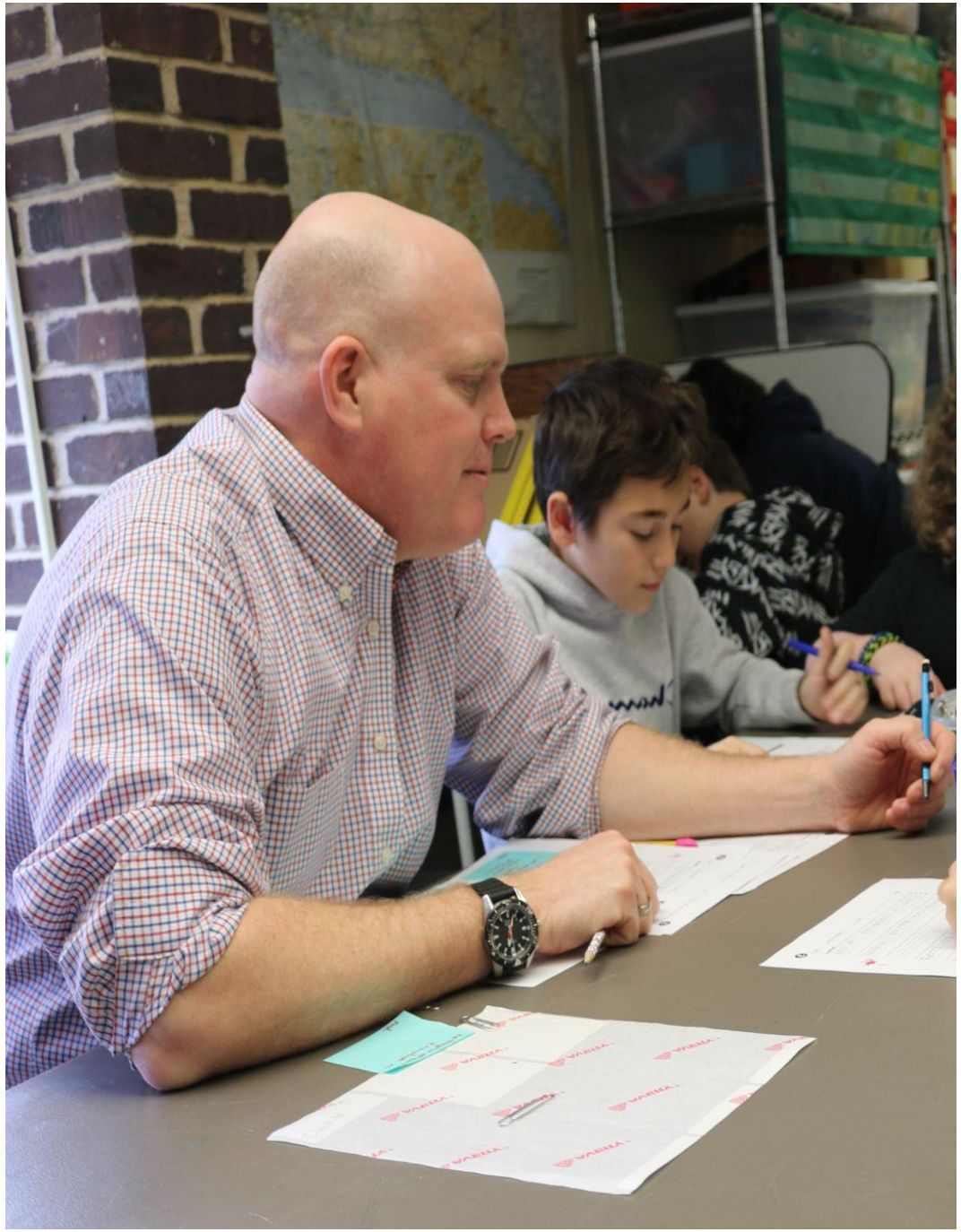
February 27, 2024 | Regional School District 17 | Superintendent Jeffrey Wihbey

Presentation Overview

- Budget Development Priorities
- Core Values, Strategic Operating Plan Priorities, Vision of a Graduate
- FY24 Achievements and Accomplishments
- FY25 Budget Drivers, Priorities, and Summary
- Budget History
- Next Steps

Budget Development Priorities

The FY25 Proposed Budget represents what is needed to realize the RSD17 Strategic Operating Plan (SOP) whereby all students and staff receive what they need within an environment and system that is built for them to achieve academic, social, and emotional success.



Our Core Values

- Public education is a right
- Every student has potential
- Quality teaching is essential to learning
- Student success is a shared responsibility
- Alignment and teamwork are powerful
- Critical thinkers make informed decisions
- School is a safe place
- Sustainability secures our future

Strategic Priorities

Our four strategic priorities were identified as a result of an extensive year-long process of gathering stakeholder feedback through focus groups, surveys and 1:1 meetings.

1. **Student Learning & Well-Being**
2. **Educator & Leadership Development and Capacity**
3. **Operational Efficiency**
4. **Enhance District Infrastructure**

Regional School District 17 Vision of the Graduate

A graduate of the RSD17 School District is a compassionate critical thinker, who collaborates to solve problems, and is prepared to contribute to improving our world.

Regional School
HK
District #17

2023-2024 Achievements and Accomplishments

Value added to the HK Community!

Many of the school year 2023-24 accomplishments are directly aligned to the Strategic Operating Plan priorities.

Highlights- Achievements & Accomplishments

01 BES was named as a School of Distinction by CT State Dept. of Education for a 2nd year based on achievement in the top 10% of all schools statewide

02 KES achieved a perfect School Performance Index (SPI) for the 2nd consecutive year

03 HKMS and HKHS received a high-dosage tutoring grant for approximately 40 students to receive math tutoring

04 HKHS was ranked 8th in the State (94th Percentile) on the Next Generation Science Standards Assessment

05 A committee of teachers and administrators created an Instructional Vision draft

06 The District successfully rolled out a new ELA curriculum in grades K-6

07 Human Resources transitioned employee evaluations to an online platform

08 A PEGETIA grant was received in the amount of $91,000 to enhance the TV studio and streaming capabilities

09 HKHS was ranked 10th in CT for evidence-based reading and writing (ERW) on the Scholastic Aptitude Test (SAT) (92nd Percentile)

10 The Boys' baseball team won the 2023 CIAC Connecticut Class S Championship

RSD17 Annual Enrollment History
FY25 Budget

School Year	Total Students	Haddam Students	Killingworth Students
2019-2020	1961	1204	757
2020-2021	1852	1123	729
2021-2022	1793	1097	696
2022-2023	1819	1118	701
2023-2024	1772	1069	703

RSD17 12-Year Net Budget History

Year	Net Budget	% Increase	Consumer Price Index Increase
FY14	$37,886,402	0.0%	1.6%
FY15	$39,072,521	3.1%	0.1%
FY16	$40,367,279	3.3%	1.3%
FY17	$40,840,279	1.2%	2.3%
FY18	$41,112,981	0.7%	2.4%
FY19	$41,492,642	0.9%	1.8%
FY20	$41,408,053	-0.2%	1.2%
FY21	$40,773,479	-1.5%	4.7%
FY22	$41,483,193	1.7%	8.0%
FY23	$43,850,160	5.7%	4.1%
FY14-FY23	**Change**	**14%**	**31%**
FY24	$46,401,124	5.82%	
FY25	$48,727,715	4.99%	

Regional Budget Challenges

District	Superintendent Proposed Budget for FY25
East Hampton	**6.21%**
East Lyme	**6.08%**
Groton	**8.41%**
Guilford	**5.46%**
East Haddam	**6.34%**
Madison	**3.44%**
Region 13	**4.48 %**
Portland	**4.89%**
Ledyard	**5.98%**
Clinton	**5.24%**

Inflationary pressures are deeply influencing consumers, homeowners, municipalities, and school districts alike.

Districts with more industry and commerce have had slightly more capacity to withstand these pressures.

FY25 Staffing Level

Objective: **Determine the required staffing level for the FY 25 Budget**

- ❑ Achieve the Vision of the Graduate and Strategic Operating Plan goals
- ❑ Maintain programming and offerings
- ❑ Continue the success of our schools

RSD17

1 : 9.6

For every 1 certified staff member there are 9.6 students. This matches the State of CT ratio reported for FY23.

FY25 Staffing
Ratio of Certified Staff to Students

FY23* - DRG C

Certified Staff to Students	
Region 13 Coginchaug	7.10
Region 8 RHAM	7.94
Region 12 Shepaug	8.02
Bolton	8.17
Andover Ele.	8.21
Region 18 LOL	8.25
Region 4 Valley	8.29
Somers	8.48
Mansfield Ele.	8.65
Region 17	8.85
Hebron Ele.	8.87
Region 14 Nonnewaug	8.94
Suffield	9.08
Region 10 Lewis Mills	9.45
Canton	9.66
Ellington	9.83
Marlborough Ele.	10.07
Oxford	10.16
Tolland	10.46
State of CT	9.61

2024

RSD17

1 : 9.6

For every 1 certified staff member there are 9.6 students.

This matches the State of CT average in 2023.

FY25 Staffing Adjustments Related to Program Needs & Enrollment

District Leadership Reductions	-1 FTE
District Financial Operations	-3 FTE
Certified Staff Reductions	- 3 FTE
Non-Certified Staff Reductions	-6 FTE
2024-25 Staffing Change Summary	**-13 FTE**

Regional School
HK
District #17

FY25 **Budget Drivers**

$2,623,205 or 4.3% of total budget change

Original Build= 11.6% increase

Existing Salaries

Contractual Increases Including new HKEA Contract

Position Cuts

(3) Certified
(6) Non Certified

Health Insurance

Premium Increase

HVAC Insp.

New State Mandate

Student Transport

Estimated Contract Increase / SPED

SPED Tuition

Rates and Outplacements

Prof. Services

Outsourcing arrangement nets with Salaries

Electricity

New Supply Contract

Buildings and Tech Capital

Strategy Shift, Nets With Debt Service

School Based Equip

Deferred Purchases

Debt Service

MS Bond Retired Grant Reimbursement

Budget Summary
Expenses

- 11 categories drive 87% of the overall budget increase
- No staffing adds, and proposed cuts of (9) positions are included.
- No additional services added, and several accounts such as contract contingency were eliminated to hit sub 5% target.
- Original budget roll-up was 11.6%, including $752k of deferred equipment purchases- which was cut back to $211k

FY24 Adopted Budget	$47,655,708
FY25 Superintendent's Budget	$ 49,891,793
Variance	$ 2,326,085
Change %	4.9%

Budget Summary
Revenue

- Non-Assessment revenue unchanged from FY24
- Largest component is SPED Excess Cost Grant of $1.065M, came in slightly higher in FY24, but not guaranteed.
- Interest income subject to rate fluctuations- budgeted conservatively

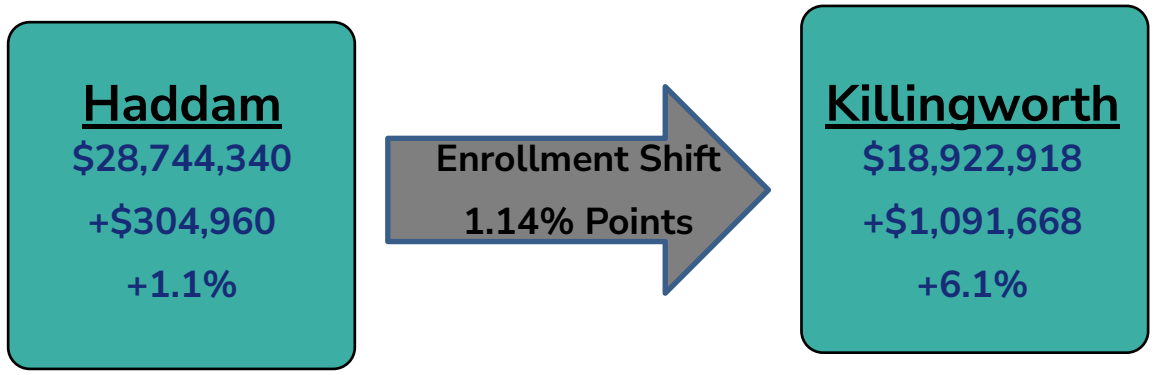
FY24 Adopted Budget	$1,254,078
FY25 Superintendent's Budget	$ 1,254,078
Variance	$ 0
Change %	0.0%

Budget Summary
Net and Assessments

FY24 Adopted Budget	$46,401,631
FY25 Superintendent's Budget	$ 48,727,715
Variance	$ 2,326,085
Change %	5.0%

Before Refund of Estimated 6/30/23 Fund Balance Applied towards FY25 Assessments = $1,060,457

FY24 Net Assessment Allocation to Towns	$46,270,631
FY25 Proposed Net Assessment Allocation to Towns	$ 47,667,258
Variance	$ 1,396,628
Change % Net Assessment	**3.0%**



Salaries (Existing)

- Contractual salary increases per bargaining agreements, including new HKEA contract (5.9% overall to certified)

Group	FY24	FY25	FY26
Administrators- HKAA	Equity Adj	2.5%	2.5%
Teachers-HKEA	.75% Top Step, Rest step only	2.75 % plus step	2.75 % plus step
Support Services (Paras, Secretaries, Food Services, Misc)- SSA	Not Finalized- Contract Exp 6/30/23	Not Finalized- Contract Exp 6/30/23	Not Finalized- Contract Exp 6/30/23
Nurses	1.5% RN 2.0% LPN	Negotiations In Process- Contract Exp 6/30/24	Negotiations In Process- Contract Exp 6/30/24
Custodians- MEUI	2.5%	2.5%	Negotiations
Non-Bargaining Unit	2% w/ 0.5% merit incentive	2.5% w/ 0.5% merit incentive	To Be Determined

FY24 Adopted Budget	$23,558,922
FY25 Superintendent's Budget	$ 24,496,422
Variance	$ 937,500
Change %	4.0%

2.0%

Total Budget Impact

Salaries (Position Cuts)

- (3) Certified teacher positions
- (6) Non-certified positions
- Locations / exact positions TBD
- $225,000 removed from Object 111- Certified
- $168,000 removed from Object 112- Non Certified

Salary Summary Without Cuts	FY24 Adopted	FY25 Proposed	Variance	%
Cert Sals	$ 18,011,320	$ 19,068,474	$ 1,057,154	5.9%
Support Sals	$ 5,105,760	$ 4,970,358	$ (135,402)	-2.7%

Salary Summary With Cuts	FY24 Adopted	FY25 Proposed	Variance	%
Cert Sals	$ 18,011,320	$ 18,813,474	$ 802,154	4.5%
Support Sals	$ 5,105,760	$ 4,802,358	$ (303,402)	-5.9%

FY24 Adopted Budget	$0
FY25 Superintendent's Budget	$ (423,000)
Variance	$ (423,000)
Change %	N/A

0.9%

Total Budget Impact

Health Insurance (Premiums)

- RSD17 participates in the Eastern CT Health and Medical Cooperative (ECHMC)
- ECHMC advised of an estimated premium increase of 6.8%
- Carried at 5% to hit budget target- optimistic of favorable rate setting outcome.

Medical Insurance Employee Cost Shares

Group	FY24	FY25	FY26
Administrators- HKAA	24.5%	24.5%	24.5%
Teachers-HKEA	24%	24%	24.5%
Support Services (Paras, Secretaries, Food Services, Misc)- SSA	Not Finalized- Contract Exp 6/30/23	Not Finalized- Contract Exp 6/30/23	Not Finalized- Contract Exp 6/30/23
Nurses	24%	Negotiations In Process- Contract Exp 6/30/24	Negotiations In Process- Contract Exp 6/30/24
Custodians- MEUI	23%	24%	Negotiations
Non-Bargaining Unit	24.5%	24.5%	To Be Determined

FY24 Adopted Budget	$6,999,725
FY25 Superintendent's Budget	$ 7,381,007
Variance	$ 381,282
Change %	5.4%

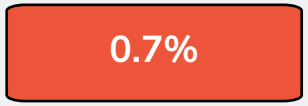
0.8%

Total Budget Impact

Professional Services (Financial Operations)

- Line includes several areas, though variance is driven by FY24 outsourcing contract with LEARN.
- **Nets with former salaries (3 FTE) removed from Obj 112**
- Arrangement ensures operational coverage, but lacks a managerial-level presence.

FY24 Adopted Budget	$946,981
FY25 Superintendent's Budget	$ 1,303,923
Variance	$ 356,942
Change %	38%



Total Budget Impact

Facilities Prof Svcs (HVAC Inspections)

- Public Act 23-167 requires “HVAC Inspections” of every piece of mechanical equipment every 5 years beginning in FY25
- Must be performed by a Mechanical Engineer or Industrial Hygienist - not a Mechanical Contractor
- CT DAS released forms in December 2023, which did not help with scoping for procurement
- Estimates for entire portfolio ~$157k- only funding KES/BES in FY25. Exemption requirement if building is going to cease use within 3 years (HKHS??)
- Only upside is State likely to use results to prioritize future HVAC grant opportunities- KES/BES critical for these programs

FY24 Adopted Budget	$0
FY25 Superintendent's Budget	$ 31,098
Variance	$ 31,098
Change %	N/A

0.1%

Total Budget Impact

Transportation (of Students)

- Current in-district transportation contract expires 6/30/26
- FY25 - 9% STA Rate Increase
- Also reflects increases to SPED, McKinney Vento and out-of-district transportation costs

FY24 Adopted Budget	$3,841,442
FY25 Superintendent's Budget	$ 4,416,028
Variance	$ 574,586
Change %	15%

1.2%

Total Budget Impact

SPED Tuition (Out-of-District Costs)

- Object 560/561 combined
- Covers costs for SPED services for HK resident students attending magnet schools and outplaced students (attend private or out-of-district schools per IEP)
- Budgeted for 70% of projected increases to SPED-related Public and Non-Public tuition costs

	Budget	Actual	Variance %
FY21	$2,317,800	$2,569,293	11%
FY22	$2,827,654	$2,370,161	-16%
FY23	$2,687,639	$2,506,317	-7%
FY24	$2,801,774	$2,972,532 (Projection)	6%

FY24 Adopted Budget	$2,801,774
FY25 Superintendent's Budget	$ 2,985,342
Variance	$ 183,568
Change %	7%

0.4%

Total Budget Impact

Utilities (Electricity)

- New supply contract in place beginning 12/1/2023
- Rate of $0.11772/kWh is ~25% higher then former contract.
- Former contract reflected historically low rates, new is in line with current market.
- Advanced utility tracking and forecasting models will be built for FY25.

FY24 Adopted Budget	$928,192
FY25 Superintendent's Budget	$ 1,068,846
Variance	$ 140,654
Change %	15%

0.3%

Total Budget Impact

Capital Improvements (Building / Tech)

- Shifting strategy to scope and budget for projects in Object 720/734 (Building/Tech Improvements), then contribute to Cap Reserve with grant reimbursement and any YE fund balance
- Ensures projects in Capital Priority List (precursor to a full FY26-FY30 Capital Improvement Plan) are planned and built.
- Fully nets with reduction in debt service attributable to construction grant reimbursement

Object	FY24 Budget	FY25 Budget	Change
720- Building Improvements/Emergency	$0	$665,603	$665,703
721- Allocation for potential Capital Reserve Contribution	$900,614	$436,918	($464,086)
734- Technology Related Hardware	$0	$209,750	$209,750
831/832 Debt Service	$1,257,913	$293,482	($721,518)
		Net Impact (Budget Reduction)	($320,151)

FY24 Adopted Budget	$900,614
FY25 Superintendent's Budget	$ 1,311,871
Variance	$ 411,257
Change %	46%

0.9%

Total Budget Impact

Equipment (School Based)

- Includes items directly beneficial to students such as fitness equipment replacements, tech ed kits, athletic equipment, as well as needed phone system upgrades.
- Deferred purchases- original submittals over $700k.
- Funding almost completely eliminated in FY24.
- These type of equipment will be built into the 5-Year Capital Improvement Plan beginning in FY26.
- Budgeted by location- details in budget book

FY24 Adopted Budget	$5,400
FY25 Superintendent's Budget	$ 211,094
Variance	$ 205,694
Change %	3809%

0.4%

Total Budget Impact

Debt Service (Bonds)

- HKMS Bond (2012 issue of $9.4M) Retired in FY24
- HS Improvement Bond (2019 issue of $7.27M) remains thru FY31
- State School Construction Grant reimbursement of $436k (from HKHS project) used to pay portion of FY25 principal.

	Principal- Obj 831	Interest- Obj 832	Total Payment
FY24 (Includes HKMS and HKHS bonds)	$1,015,000	$242,913	$1,257,913
FY25 (HKHS Only, HKMS Retired)	$730k – 463k from reimb= $293,482 from GB	$200,000	$493,482
FY26	$730,000	$163,500	$893,500
FY27	$730,000	$127,000	$857,000
FY28-FY31	$2,175,000	**$163,125**	**$2,338,125**

FY24 Adopted Budget	$1,257,913
FY25 Superintendent's Budget	$ 493,482
Variance	$ (764,431)
Change %	-61%

-1.6%

Total Budget Impact

FY25 Budget Highlights

Net budget =$48,717,715
Increase = $2,326,085

Original Build= 11.6% increase

Expenses +4.9%

11 Major Drivers

Revenue Flat

Net Budget +5.0%

Refund ~$1.1M

One-Time Accrued PO Correction, Fund Balance

Net Assessed +3.0%

Enrollment decline and shift

9 Position Cuts

(3) Certified
(6) Non Certified

Preserves CapEx

New Strategy, Leverages Grant Reimbursement

Additional?

RSD 17 Community Pride

The 2024-25 Proposed Budget represents what is needed to realize the RSD17 Strategic Operating Plan (SOP) whereby all students and staff receive what they need within an environment and system that is built for them to achieve academic, social, and emotional success.

The quality of education offered by RSD17 plays a critical role in defining our community, its property values, quality of life, and the life opportunities of our school children. It enables children growing up with all the benefits of a small town to be prepared for success in the world.

I look forward to building on the accomplishments of 2023-24.

In Closing

RSD 17 Community Pride

Strategic Investments In our Schools

We have enjoyed many successes together!

People want to live here

They return here

Our schools are the “Ties that Bind” us together

Budget Meetings and Process

Date	Time	Activity	Location
February 27, 2024	6:00 PM	Superintendent's Budget Presentation	HKHS Auditorium
February 27, 2024	Directly Following	Board Workshop	HKHS Community Room/Lower Media
March 5, 2024	5:30 PM	Budget Workshop	HKHS Community Room/Lower Media
March 5, 2024	7:15 PM	Joint Meeting on Budget with Towns	HKHS Cafeteria
March 12, 2024	6:00 PM	Budget Workshop	HKHS Community Room/Lower Media
March 19, 2024	6:00 PM	Community Input on Budget	HKHS Auditorium
March 26, 2024	6:00 PM	Budget Workshop	HKHS Community Room/Lower Media
April 2, 2024	6:00 PM	Annual Hearing and Special Meeting of the BoE to Adopt the 2024/2025 BoE Budget	HKHS Auditorium
May 6, 2024	6:30 PM	Annual Meeting	HKHS Community Room/Lower Media
May 7, 2024		RSD#17 Budget Referendum	Regular voting locations

Thank you