

Region 15 Public Schools

2023-2024 Superintendent's Proposed Budget

Presented by
Joshua Smith, Superintendent of Schools
February 2023

BOARD OF EDUCATION

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REGION 15 SCHOOLS
Serving the towns of Middlebury and Southbury

THANK YOU

- **District Office Administrators & Staff**
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- **Department Leaders, Teachers**
- **Building and Support Staff**
- **Board of Education Members**



The Mission of Region 15

“The mission of Region 15, a collaborative community committed to excellence, is to educate every student to be productive, ethical, and engaged in a global society through proven and innovative learning experiences supported by its strong community whose decision-making is based on the best interest of all students.”

As we enter the process of budget development with an eye towards fiscal responsibility, it is crucial to keep sight of our mission. ***We must preserve the communities' expectation of a quality education and the trust they provide in us.***

MISSION/ VISION


“The mission of Region 15, a collaborative community committed to excellence, is to educate every student to be productive, ethical, and engaged in a global society through proven and innovative learning experiences supported by its strong community whose decision-making is based on the best interest of all students.”

Theories of Action

- *If we foster schools that are welcoming and inclusive to all students, then students will feel valued, and better able to access their learning.*
- *If we improve our ability to align assessments to curriculum, improve our data culture, and increase our analysis of student learning, then we will be more equipped to provide meaningful student engagement and increased achievement.*
- *If we embrace communication, transparency, and collaborative relationships within ourselves and the community then we will improve trust and participation in supporting our students.*
- *If we increase and promote access to career pathways, curriculum, and shared instructional experiences then our district will prepare students for the world they will enter after their time with us.*

BUDGET PRIORITIES

- Provide the community with a school system that supports our Theories of Action and the quality educational system they require of us
- Provide educators with the resources, supports, and training necessary to deliver quality instruction.
- Deliver a clear, accurate, and transparent budget to inform decisions and create confidence in the process.
- Balancing current needs and deferred expenses
- Respect the fiscal impact to all residents and the investment our towns make to our success.



This year the budget development philosophy was designed to mitigate the financial floodwaters and find balance between protecting programs and expectations for services while recognizing the pressures facing our families and the community.

BUDGET FRAMEWORK AND RECURRING ASSUMPTIONS:

- Annual planning process:
 - Examine and implement cost efficiencies
 - Review, revise, and assess curriculum and instructional needs
 - Address health, safety and facility concerns
 - Adhere to class size practices
 - Comply with federal and state mandates
 - Honor all collective bargaining agreements
 - Fund Maintenance and Technology plans



SUMMARY OF PROPOSED BUDGET

- Addresses staffing and instructional needs
- Continues to align historically underfunded accounts with actual costs
- Maintains programs and class size norms
- Continues to increase pension contribution
- Funds systemic technology replacement cycle
- Manages cost increases and minimizes deferred costs

BUDGET SUMMARY

Budget object	2022-23	2023-24	Yr to Yr	% Change	% of Total	% of Total Increase
Category	Adopted	Proposed	Change \$	Change %	2023-24 Budget	% Increase overall
Salaries	\$45,381,506	\$47,483,438	2,101,932	4.63%	55.28%	2.62%
Benefits	\$14,284,487	\$15,093,116	808,629	5.66%	17.57%	1.01%
Instructional	\$3,424,005	\$4,000,008	576,003	16.82%	4.66%	0.72%
Non-Instructional	\$1,024,728	\$1,034,705	9,977	0.97%	1.20%	0.01%
Transportation	\$5,494,735	\$6,242,637	747,902	13.61%	7.27%	0.93%
Facilities	\$3,436,186	\$3,871,696	435,510	12.67%	4.51%	0.54%
Tuition	\$5,710,495	\$6,591,363	880,868	15.43%	7.67%	1.10%
Debt	\$1,581,872	\$1,581,872	\$0	0.00%	1.84%	0.00%
Total Gross Budget	\$80,338,014	\$85,898,835	5,560,821	6.92%		6.92%
Revenue*	\$2,593,954	\$3,530,876	\$936,922	36.12%		-0.097
Proposed Total	\$77,744,060	\$82,367,959	\$4,623,899			5.95%

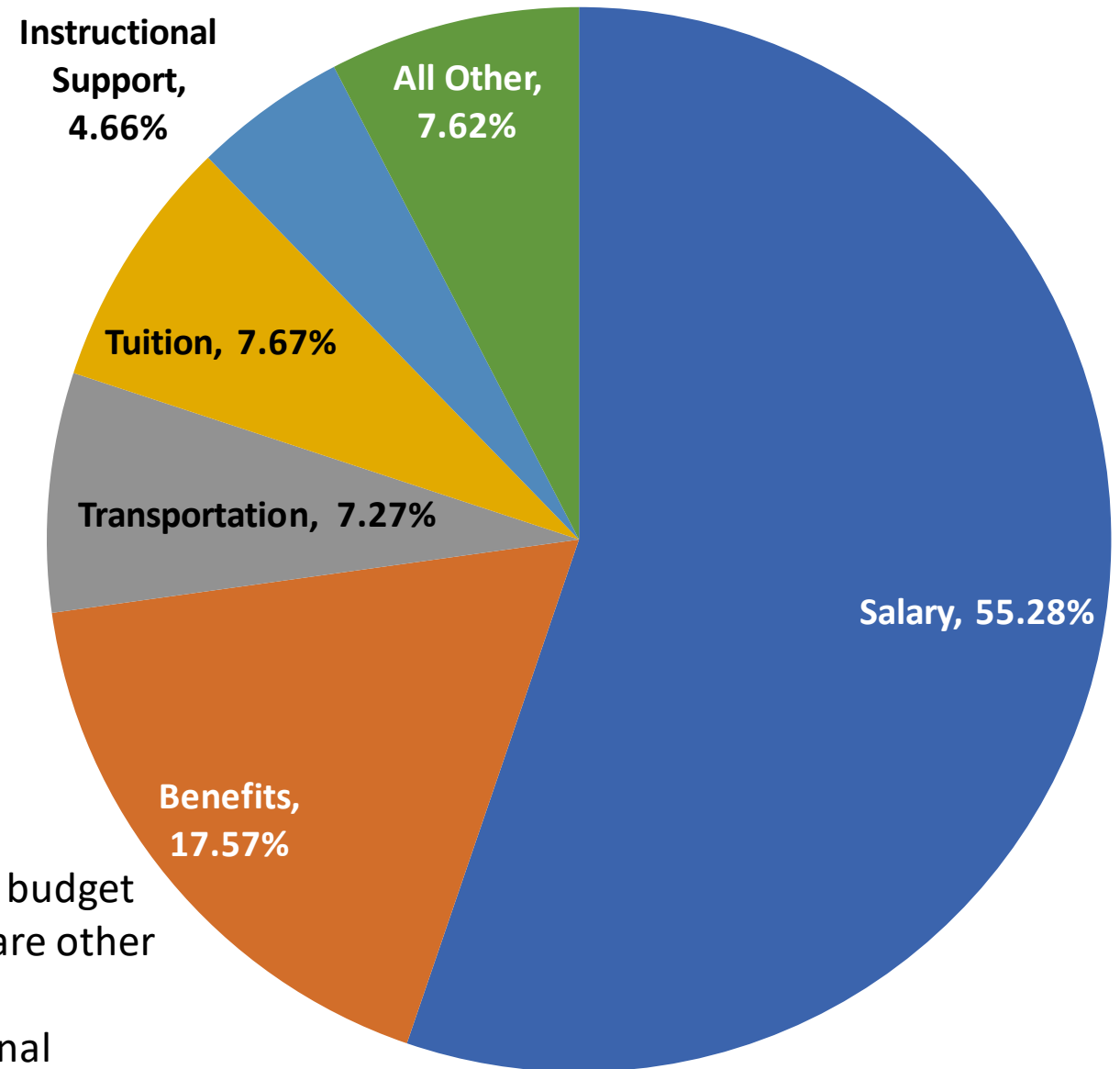
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BUDGET SUMMARY

Percent of total budget of selected objects:

- We are a service provider, our work depends on our staff
- On average staffing Comprises close to 75% of the annual budget
- Class size practices drive our staffing numbers, but there are other factors that can have an impact:
 - We continue to experience higher social and emotional needs, more demand for student services



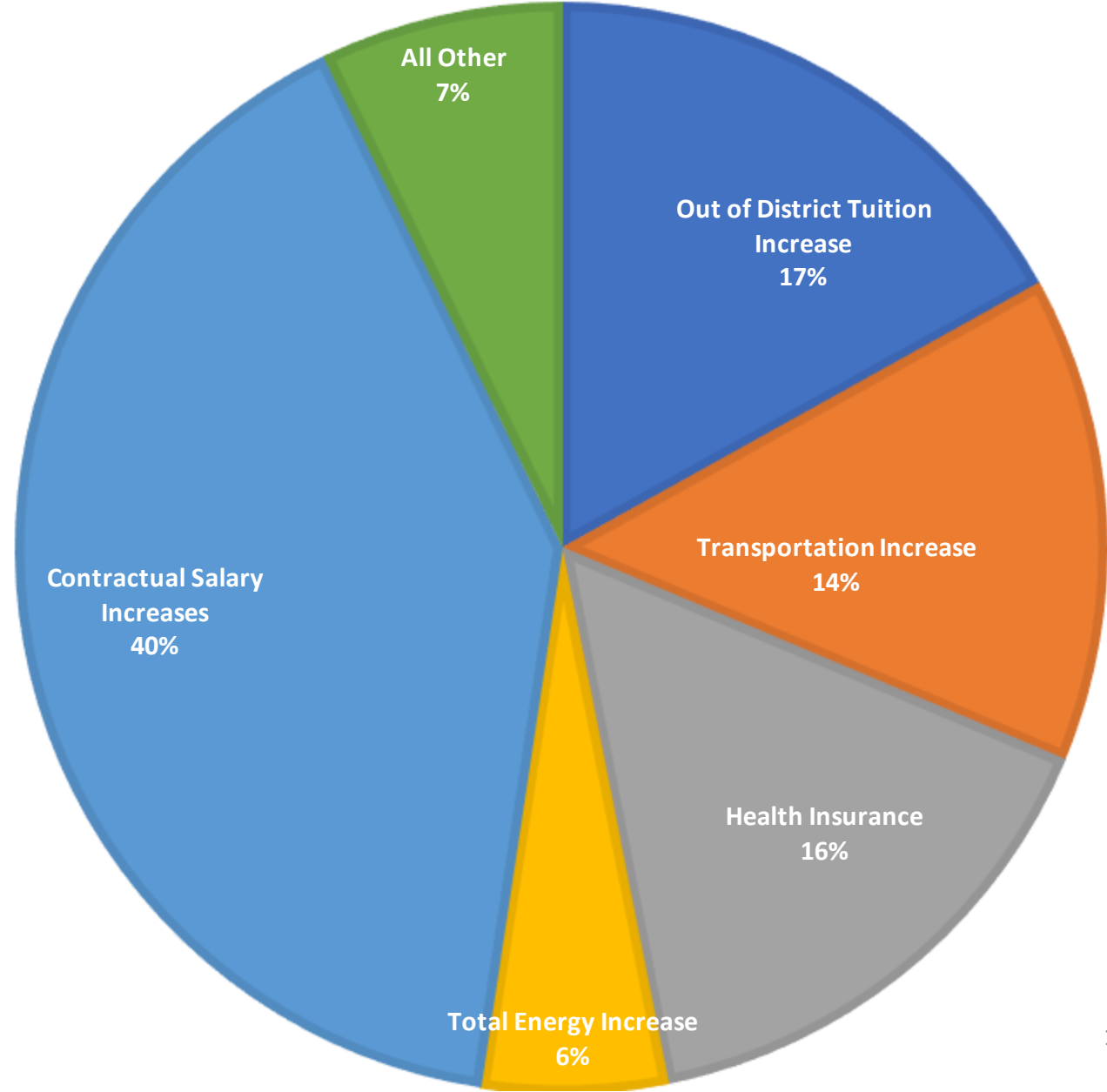
Breakdown of Major Cost Drivers

- **Instructional:** \$576,003.00
 - Pupil Services Non-Payroll: \$343,000 (adjust to current year actuals)
 - Outside testing, Behaviorist, Nurse subs, Physical Therapist
 - Technology will appear to increase by \$217,000 but is mostly a results of realigning budget codes.
 - Remainder is mostly due to inflationary costs
- **Facilities:** \$435,510.00
 - Natural Gas: \$205,000
 - Snowplowing/ Grass: \$78,000
 - Electricity: \$174,000
 - Custodial and Maintenance Supplies: \$52,000 (still less than 3 yr actuals)
- **Tuition:** \$880,868.00
 - Increase based on current actuals and three-year trends
- **Contractual Salary Increases:**
 - Includes contract agreements that reflect mandatory minimum wage increases
 - Negotiated settlements
 - Substitute costs adjustment to actuals. Includes a partial sunset of federal grant

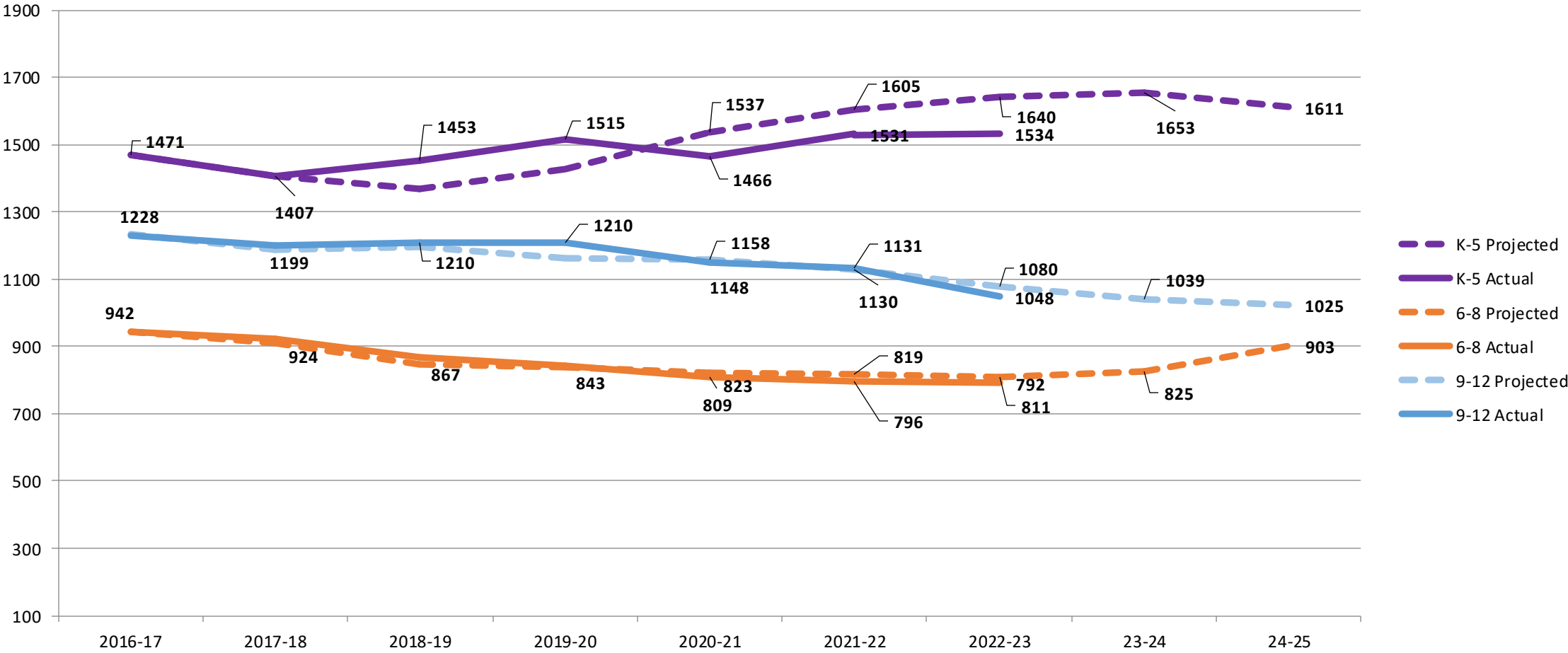
Summary of Budget Drivers: of the 5.9% increase, these are the major drivers

- Utilities
- Transportation Costs
- Increased Student Needs
- Health Insurance
- Contractual Salary Increases

THE 5.9% BUDGET INCREASE IS COMPRISED OF THE FOLLOWING DRIVERS:



ENROLLMENT



Presented to the R15 Board of Education 2/27/2023

Middle School

- Currently Memorial Middle School has a population of 408, projected to grow by about 4 students next year. They have 4 academic teams and approximately 100 students per team.
- Rochambeau Middle School has a population of 386, with a projection of 384 for next year. They have 3 academic teams with approximately 128 students per team.
- In order to create more consistency in class size between the schools, RMS will need an additional academic team. If not for the 2023-24 school year, by the 2024-25 school year when enrollment is expected to grow to 416 students.
- By adding the team next year and we can use remaining federal grant funds to subsidize a portion of the salaries and spread the cost impact over two years and reduce class sizes
- Academic teams need to be added in cohorts of 4 staff.

K-5 CLASS SIZE

2022-2023 Actual					2023-2024 Projected				
Pomperaug Elementary School									
Enrolmt	#Sec	Avg CL Sz	Staff	Program	Enrolmt	#Sec	Avg CL Sz	Staff	Change
73	4	18.25	4	Kindergarten	65	4	16.3	4	-
61	4	15.25	4	Grade 1	75	4	18.8	4	-
63	4	15.75	4	Grade 2	62	3	20.7	3	-1
75	4	18.75	4	Grade 3	65	4	16.3	4	-
82	4	20.50	4	Grade 4	76	4	19.0	4	-
60	3	20.00	3	Grade 5	86	4	21.5	4	+1
414	23	18.00	23		429	23	18.7	23	0
Gainfield Elementary School									
Enrolmt	#Sec	Avg CL Sz	Staff	Program	Enrolmt	#Sec	Avg CL Sz	Staff	Change
53	3	17.7	3	Kindergarten	53	3	17.7	3	-
57	3	19.0	3	Grade 1	55	3	18.3	3	-
54	3	18.0	3	Grade 2	57	3	19.0	3	-
53	3	17.7	3	Grade 3	56	3	18.7	3	-
66	3	22.0	3	Grade 4	55	3	18.3	3	-
66	4	16.5	4	Grade 5	67	4	16.8	4	-
349	19	18.4	19		343	19	18.1	19	0

2022-2023 Actual					2023-2024 Projected				
Long Meadow Elementary School									
Enrolmt	#Sec	Avg CL Sz	Staff	Program	Enrolmt	#Sec	Avg CL Sz	Staff	Change
61	4	15.25	4	Kindergarten	68	4	17.0	4	-
95	5	19.00	5	Grade 1	65	5	16.3	5	-1
68	4	17.00	4	Grade 2	99	4	19.8	4	+1
70	4	17.50	4	Grade 3	71	4	17.8	4	-
79	4	19.75	4	Grade 4	72	4	18.0	4	-
79	4	19.75	4	Grade 5	82	4	20.5	4	-
452	25	18.00	25		457	25	18.2	25	0
Middlebury Elementary School									
Enrolmt	#Sec	Class Size	Staff	Program	Enrolmt	#Sec	Avg CL Sz	Staff	Change
39	3	13.0	3	Kindergarten	49	3	16.3	3	-
57	3	19.0	3	Grade 1	39	3	13.0	3	-
42	3	14.0	3	Grade 2	59	3	19.7	3	-
61	3	20.3	3	Grade 3	44	3	14.7	3	-
66	4	16.5	4	Grade 4	63	3	21.0	3	-1
54	3	18.0	3	Grade 5	68	4	17.0	4	+1
319	19	16.8	19		322	19	16.9	19	0

*Preschool enrollment increases over the course of the year as students age into it.
 Preschool has students in both full day and half day programs making class size fluid
 **K-5 total, does not include pre-school enrollment

Optimal Class Size: K-1(18-22), 2-3(21-25), 4-5(23-27)

K-5 DISTRICT CLASS AVERAGES

Current 2022-2023 Class Size Averages					
Grade	PES	GES	LMES	MES	District Avg
K	18.25	17.70	15.25	13.00	16.00
1	15.25	19.00	19.00	19.00	18.00
2	15.75	18.00	17.00	14.00	16.00
3	18.75	17.70	17.50	20.3	18.50
4	20.50	22.00	19.75	16.5	19.70
5	20.00	16.50	19.75	18.0	18.50
District Avg	18.00	18.40	18.00	16.8	17.80

Projected 2023-2024 Class Size Averages					
Grade	PES	GES	LMES	MES	District Avg
K	16.3	17.7	17.0	16.3	16.8
1	18.8	18.3	16.3	13.0	16.6
2	20.7	19	19.8	19.7	19.8
3	16.3	18.7	17.8	14.7	16.8
4	19	18.3	18.0	21.0	19.1
5	21.5	16.8	20.5	17.0	18.9
District Avg	18.7	18.1	18.2	16.9	18.0

Optimal Class Size: K-1(18-22), 2-3(21-25), 4-5(23-27)

STAFFING SUMMARY

- K-5: While grade level adjustments will be needed, staffing remains consistent year to year.
 - *PES: -1 in GR2, +1 GR5*
 - *GES: No Change*
 - *LMES: -1 GR1, +1 GR2*
 - *MES: -1 GR4, +1 GR5*
- RMS Academic Team: +4 (partial offset with ESSR II funds, net impact +2)
- PHS: -1 FTE (position to be determined based on course enrollment and attrition)
- PHS: Clerical move .5 to 1.0
 - Currently renting space and resources is fragmented and creates a great deal of duplicate work as well as confusion and errors. This would streamline all the clerical responsibilities related to facilities use and rentals.
- Pre-School: +1 Clerical
 - Transportation logistics and management of procedural documentation is interfering with daily instructional capacity. This allows the work to be reorganized and restore service to students.
- ELL Support
 - Shifting a portion of current teacher to support the needs of English Learners. While it is budget neutral, it will increase services to students and adjust staffing to meet enrollment trends.

STAFFING AND SALARIES:

Certified Salaries: Increase of \$1,119,391

- 360 Staff/ Increase accounts for an additional 1.5 FTE added in current year

Classified Staff: Increase of \$773,993

- 221 Staff/ Increase accounts for an additional 7.5 FTE added in the current year

Other Salary: \$200,000

- Certified and Non-Certified Substitute costs
- Increase is a combination of sunseting federal grant funding and increased hourly rates

BUILDINGS, GROUNDS, and MAINTENANCE

The project totals exceed the \$275,000

Budget proposal maintains debt payment

Flat funds operating capital

\$78,000 increase in snowplowing and grounds maintenance contracts

Increases Maintenance lines by \$28,000 (still less than 3 yr actuals)

Utilities and Transportation

Utilities are seeing significant increasing despite our aggressive bidding and energy conservation measures.

- We have bid electric rates last year for 2023-26 school years locking us at .116 cents on supply which is **208%** less than the current Eversource rate.
- We also have several 0% energy efficient projects that have been paid off that helped offset our cost increase.
- \$174,000 overall increase in electricity. \$40,000 in offset from solar projects

Heating Oil and Natural Gas

- We have locked our heating oil for 2023-24 at \$2.95 a gallon which is below the current market rate.
- We are projecting increases in natural gas based on market projections
- Increase in Natural Gas of \$205,449

Diesel

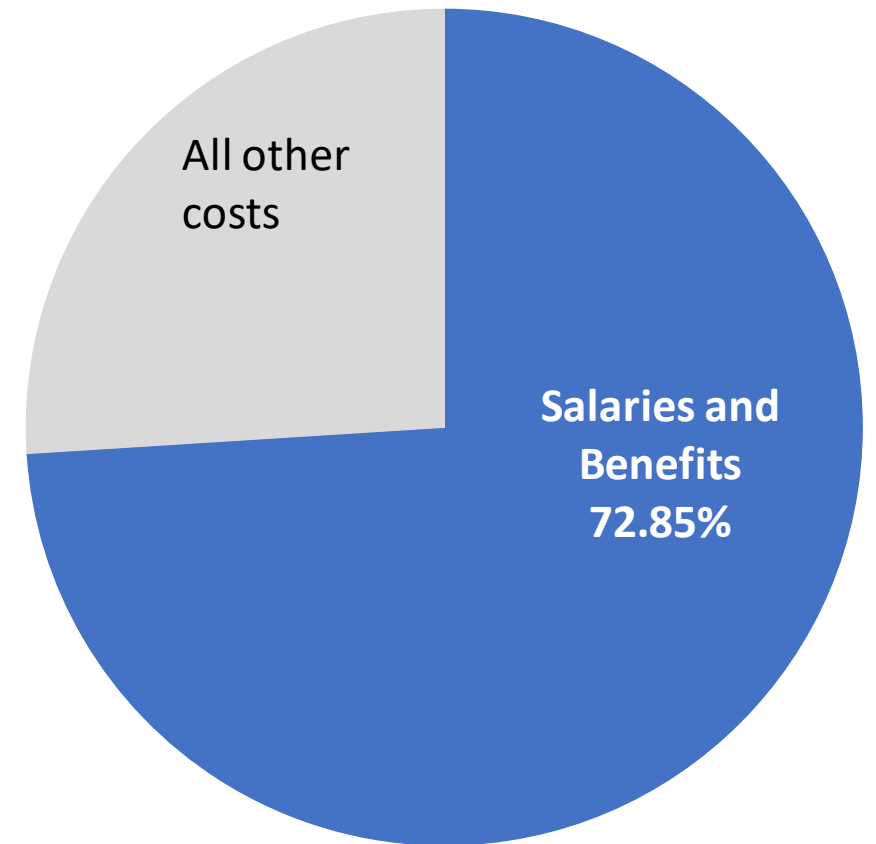
- Bus fuel which is purchased by the district has been locked at \$3.04

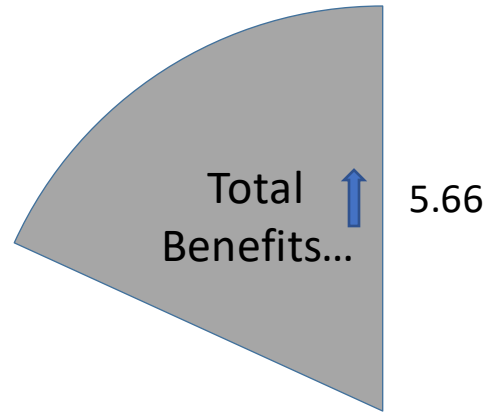
Fuel Oil

- A savings of \$95,000 due to the conversion to natural gas

It is our staffing that make us what we are as a district.

- Annually about 75% of our operational costs go to staff salaries and benefits.
- Budget implements all contractual obligations
- For the 2023-24 Budget cycle, our insurance claims have seen an uptick in overall claims compared to the prior year.
 - The insurance line overall has increased \$53,000 driven mostly by our liability and property values increasing.
 - Our policy does include a cybersecurity rider that we added four years ago.





Pension

- Increase of \$30,000
 - Maintain balance between contribution and disbursement obligations

Health Insurance

- Increasing at 8%
- Custodial and Maintenance employees are on health plan through their union we contribute towards

Other

- Life Insurance – Increasing due to new rates & salary adjustments
- Unemployment – reduced due to drop in claims

Revenue Sources

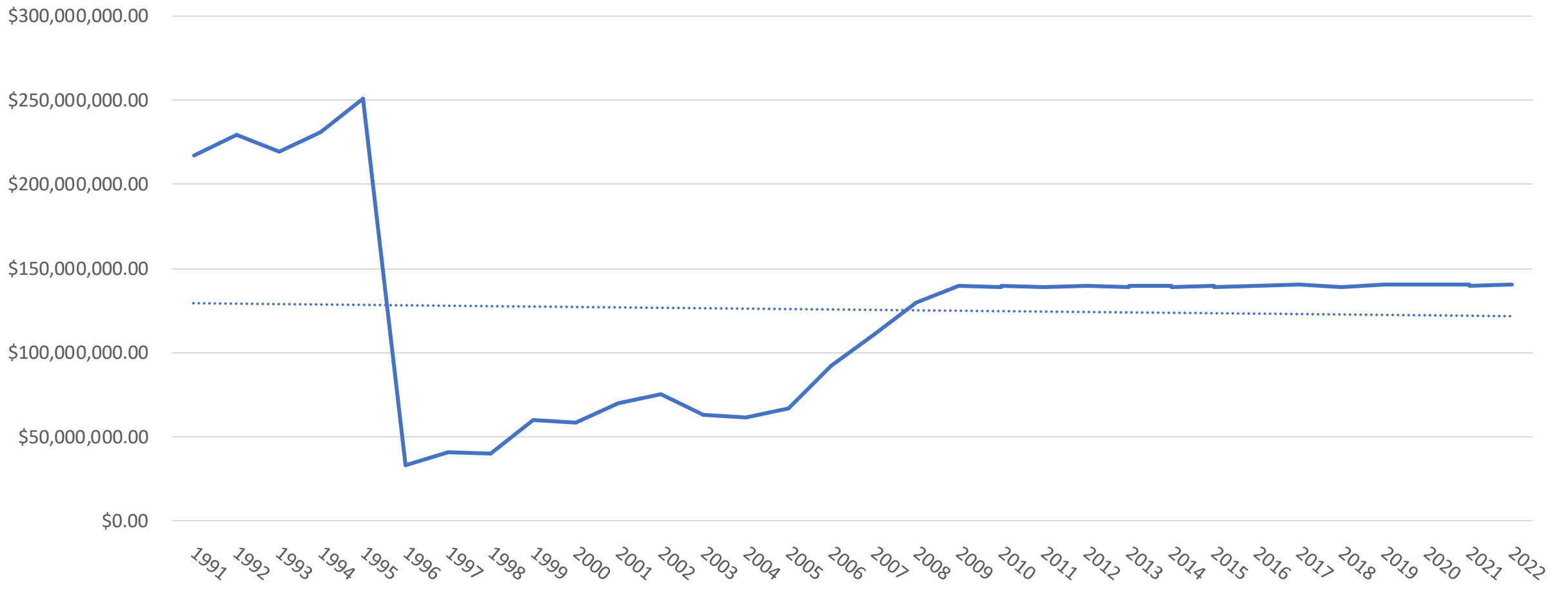
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	
REVENUE BUDGET	ADOPTED	ADOPTED	ADOPTED	ADOPTED	ADOPTED	Proposed	DELTA (ADM 10/1/22)
TOWN OF MIDDLEBURY	\$22,438,773	\$23,170,483	\$24,902,260	\$25,002,444	\$26,234,266	\$28,509,280	\$2,275,014
TOWN OF SOUTHURBY	\$46,665,056	\$47,664,384	\$48,007,514	\$49,792,022	\$51,509,793	\$53,858,679	\$2,348,885
TOTAL FROM TOWNS	\$69,103,829	\$70,834,867	\$72,909,774	\$74,794,466	\$77,744,059	\$82,367,959	
TUITION- PRE K			\$170,000	\$170,000	\$170,000	\$170,000	
PAY FOR PLAY SPORTS			\$180,000	\$180,000	\$180,000	\$180,000	
PAY FOR PLAY MS MUSIC			\$15,250	\$15,250	\$15,250	\$15,250	
PHS PARKING			\$55,000	\$40,000	\$31,600	\$31,600	Parking revenue based on \$100 fee In prior years, this number was lower and not identified as a revenue source
FACILITY RENTAL					\$10,000	\$10,000	
TOTAL LOCAL SOURCES			\$440,250	\$405,250	\$406,850	\$406,850	
MAGNET TRANS GRANT			\$27,000	\$27,000	\$27,000	\$27,000	
EXCESS COST GRANT			\$1,830,353	\$1,551,724	2,026,724	\$2,937,407	Excess cost increase follows increased district costs
AGENCY PLACED GRANT			\$147,887	\$132,480	\$132,480	\$158,719	
ADULT ED GRANT			\$900	\$900	\$900	\$900	
TOTAL STATE SOURCES			\$2,006,140	\$1,712,104	\$2,187,104	\$3,124,026	
Total Revenue from Local & State			\$2,446,390	\$2,132,354	\$2,593,954	\$3,530,876	
TOTAL REVENUES	\$69,103,829	\$70,834,867	\$72,909,774	\$76,926,820	\$80,338,013	\$85,898,835	

Historical data is not available for comparison as revenue was accounted for differently in prior financial system.

Beginning in 20-21 this information is included in budget proposals

Use of Federal ESSR II Funds

- ESSR II
- Funds need to be expended by end of September 2023
- We were conservative in the allocation due to unpredictable costs
- Total Remaining: \$300,000
 - The 2023-24 budget proposal allocates
 - \$150,000 to offset school substitutes
 - \$100,000 to reduce class size at the middle school level
 - \$44,000 in curriculum writing

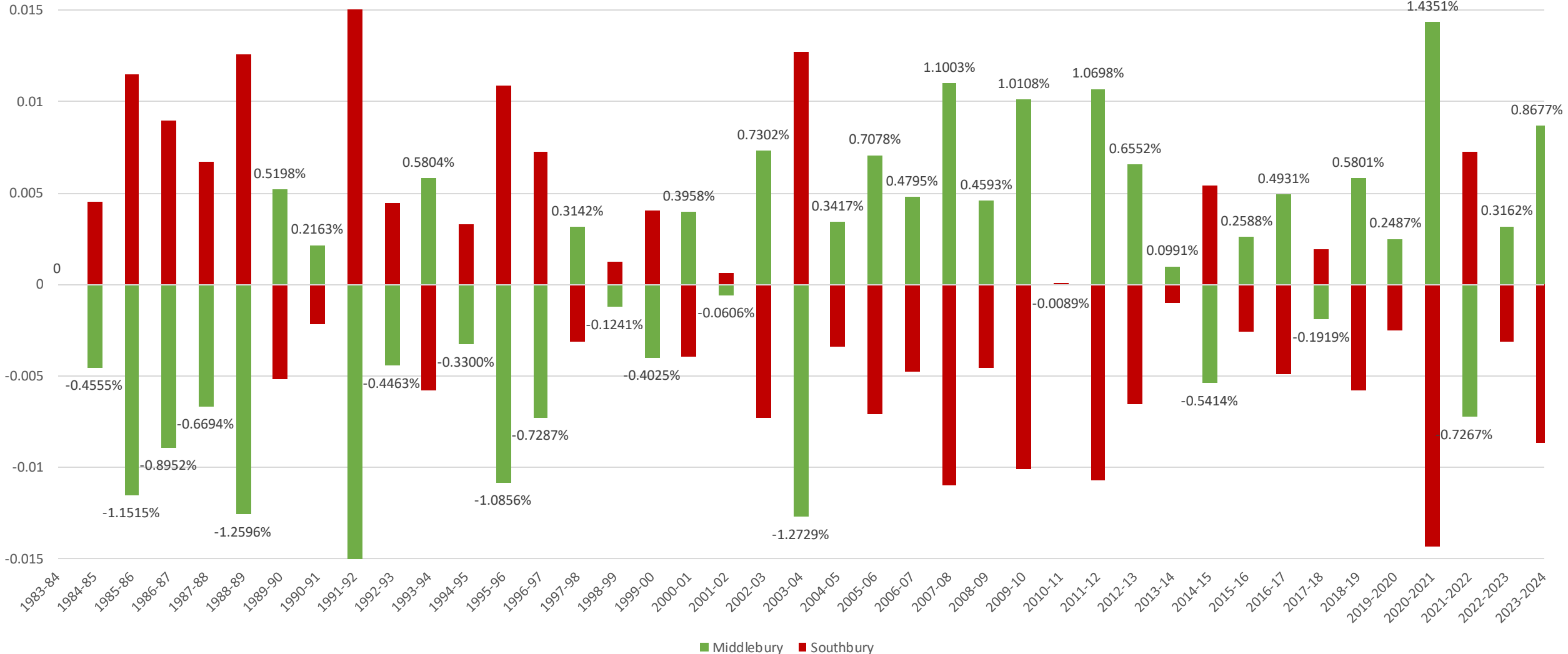


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Historical funding in CT for the Excess Cost Grant and reimbursement amounts:

Average Daily Membership

Average Daily Membership - Shifts Over Time



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BUDGET TOTALS BY COMMUNITY

	2022-2023 Adopted	2023-24 Proposed	% Increase
Total School Budget Gross	\$80,338,014	\$85,898,835	6.92%
Total Revenue	\$2,593,954	\$3,530,876	36%
Total School Budget Net*	\$77,744,060	\$82,367,959	5.9%

* Town funding totals based on Net Budget Totals

	2022-23 Adopted	2023-2024 Proposed	Percent Distribution	Dollar Increase	% Increase
Middlebury	\$26,234,267	\$28,509,280	34.6121%	\$2,275,014	8.67%
Southbury	\$51,509,793	\$53,585,679	65.3879%	\$2,348,885	4.56%

BUDGET CHALLENGES

Short Term:

- Predict future financial impact of pandemic
 - Future financial liabilities
 - Financial implication to communities
 - Strategically managing future financial cliffs: staffing/ reoccurring costs
 - Smoothing or stepdown of reoccurring cost offsets subsidized by federal grants
- Increasing need for large capital projects and aging buildings
 - Flat funds the debt obligations with the intent to reissue a maturing bond to address large capital repairs
- Absorbing the unanticipated costs and Increased need for student services that impacted the current budget
- Rising inflationary costs
 - Transportation, Wages, Utilities
- Meeting State and Federal Mandates
 - Adjustments to meet minimum wage laws, staff training

Long Term:

- Fixed costs (Transportation, Energy, Workers' comp)
- Shifting Financial Burden from State to Local Government
- Aging Buildings and maintenance costs



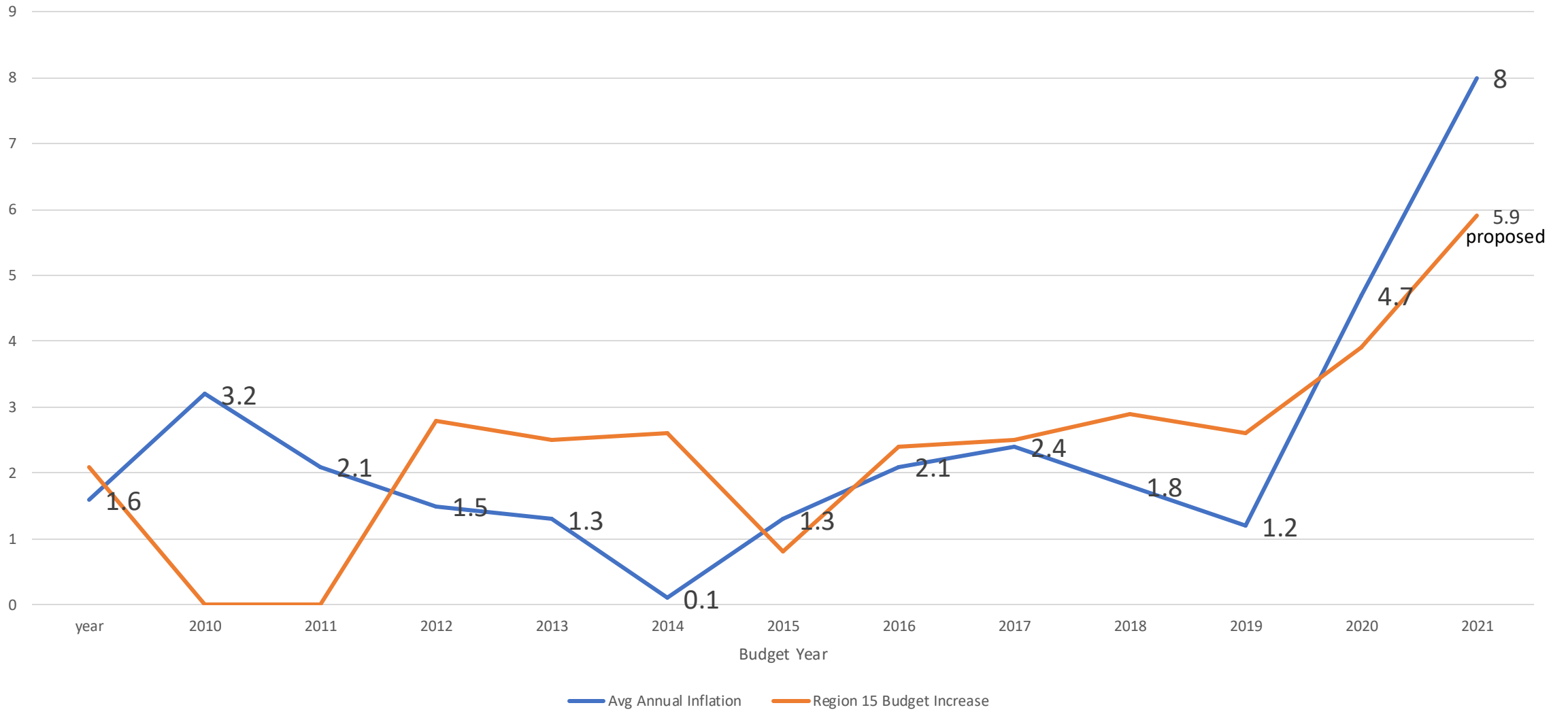


State Budget Variables/ Potential Cost Deferrals

- Magnet School Tuition: Potential for Legislative Changes
 - Impact \$200,000 in savings to the Region.
- ESSR II: The proposed budget subsidizes the substitute line and funds 1 of the 4 RMS positions. This does allow us to defer \$200,000 in costs. Not necessarily a cliff, but costs that will reappear next year.
- Excess Cost: We are budgeting our projections higher based on the current legislation and available information. In the past we budgeted at 70% this year we are using 80%.

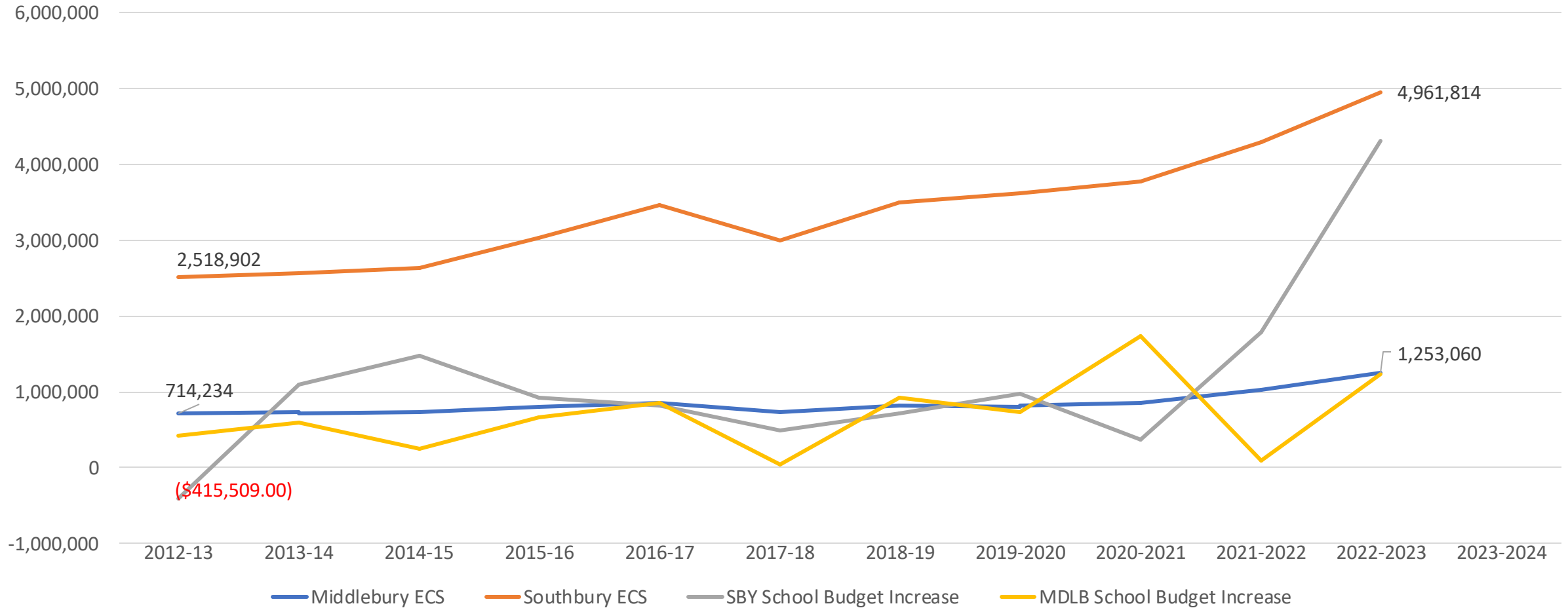
National Fiscal Context

SCHOOL BUDGET VS INFLATION RATE



EDUCATIONAL COST SHARING

ECS Funding levels as compared to annual school budget increase



EDUCATIONAL COST SHARING

Education Cost Sharing

- The Education Cost Sharing (ECS) formula is the method the State of Connecticut has established to distribute funds to aid towns with educational costs.
- These funds go directly to towns as an offset to educational costs and are not represented in the Region 15 budget.
- ECS funding for Middlebury and Southbury will increase in next year's state budget by \$822,349 or almost 1% of our overall increase
- These numbers represent the worse case scenario and could be adjusted higher by the legislative session

	FY 2021	FY 2022	FY 2023	FY 2024	Increase
Middlebury	\$ 847,757.00	\$ 1,026,996.00	\$ 1,253,060	\$1,451,313	\$ 198,253
Southbury	\$ 3,785,641.00	\$ 4,290,927.00	\$ 4,961,814.00	\$ 5,585,910	\$ 624,096
					\$ 822,349



What this budget does:

Acknowledges financial pressures due to inflation, state and federal mandates

Reflects inflationary and capital needs without deferring costs that could compound future budgets

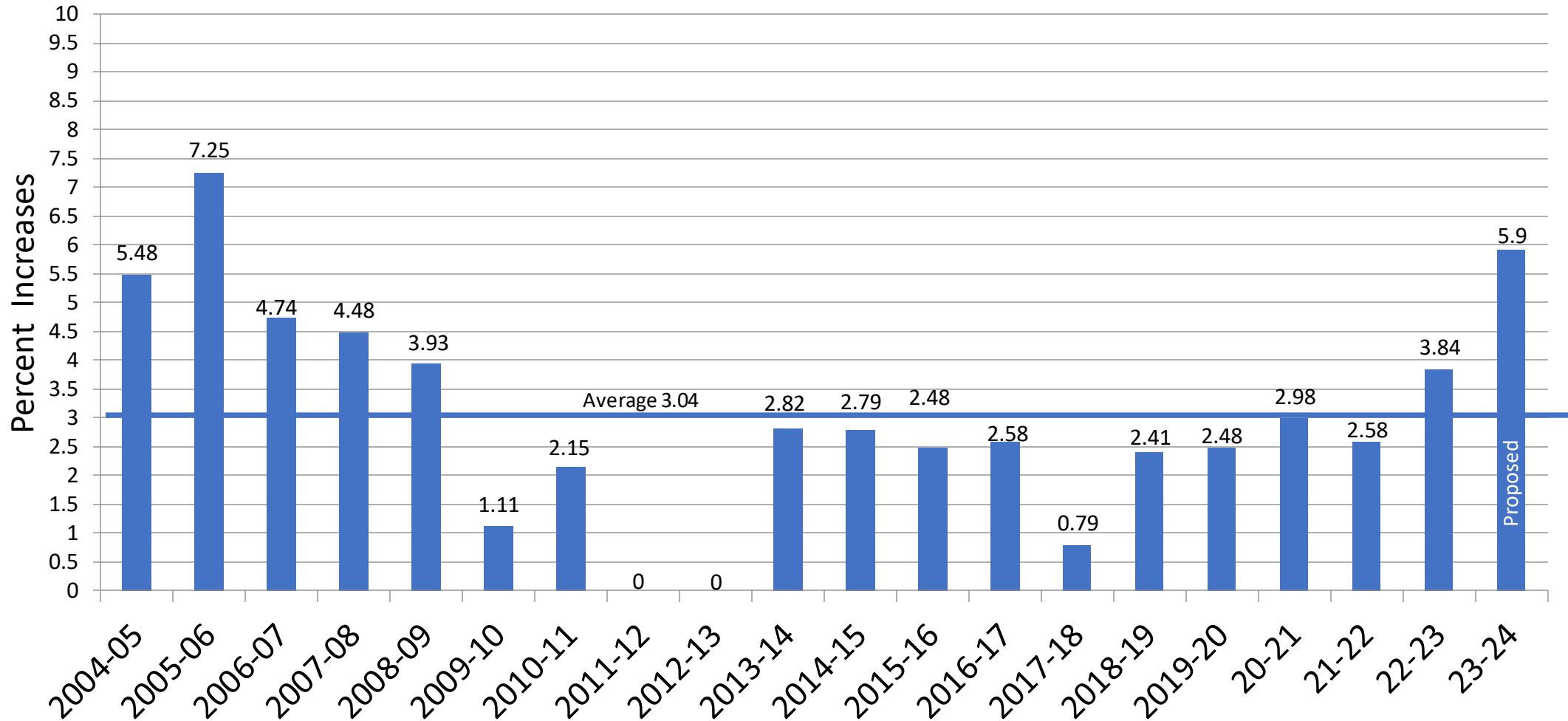
Responsibly protects programs, services, utilities and staffing to maintain quality of service

Provides the necessary materials, equipment, and supplies to implement curriculum

Ensures curriculum and professional development will continue to keep instruction current and competitive

Addresses large capital repairs

Board Approved Budget Increases by Percent:



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Review of the budget schedule updated

Wednesday, March 8th Budget Workshop beginning at 6:30 at PHS Media Center

- Elementary Schools K-5
- Middle Schools 6-8
- Curriculum and Instruction

Wednesday, March 22rd Budget Workshop beginning at 6:30 pm at PHS Media Center

- High School
- Athletics
- SPED
- Technology

Wednesday, March 29th Budget Workshop & Public Hearing beginning at 6:30 pm at PHS Media Center

- Southbury & Middlebury Boards of Finance Discussion Public Hearing immediately following

Monday, April 3rd Board of Education Meeting, 7:30 pm at PHS Media Center

- Board adopts 2023-2024 Budget

NEXT STEPS

- Questions from Board members can be submitted to the Superintendent's office over the next few weeks
- All budget presentations will be posted on the district website: www.region15.org/budget
- Along with presentation, a list of questions and answers will also be developed and available on the website
- Thank you again to all those that contributed to the development of this proposed budget and tonight's presentation
- Any questions?