

RSD17 Budget FAQs 2024-25

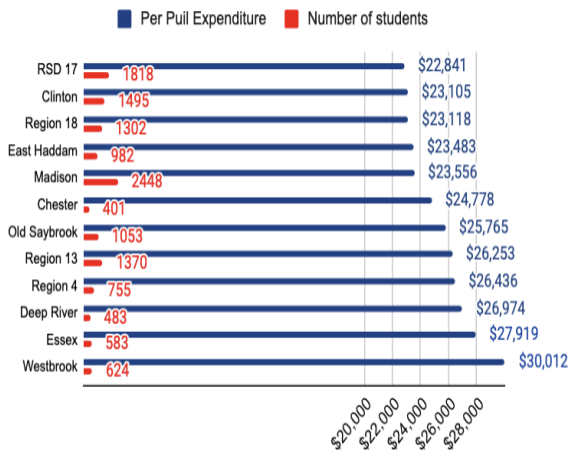
When is the RSD17 budget referendum and what are we voting on?

On May 7, 2024, the RSD17 Board of Education 2024-25 School Gross Budget of \$49,818,029 will be brought to the towns of Haddam and Killingworth for a referendum. This budget represents an increase of \$2,162,321 or 4.5%. After revenue, grants and return of fund balances, the towns will be assessed approximately \$28,626,814 for Haddam and \$18,845,630 for Killingworth. Voting will take place at regular local polling locations.

Why is there a “Refund of Estimated Prior Year Fund Balance” of \$1,060,457?

The \$1,060,457 refund includes two components being returned to the towns of Haddam and Killingworth. Firstly, \$336,918 represents the audited fund balance from fiscal year 2023. Additionally, an extra \$723,539 is being refunded due to errors in fiscal years 2021 and 2022, stemming from a financial system transition where purchase orders were incorrectly accrued instead of being closed out at year-end.

2022-2023 Per Pupil Expenditure Comparison



What is the student to dollar ratio and then town by town?

The student to dollar ratio, or Net Expenditure per Pupil, is a metric tracked by the State each year to assess the spending efficiency of school districts. In the most recent report for the 2022/2023 academic year, Region 17 (RSD17) continued to demonstrate a lower per pupil expenditure compared to our similarly sized neighboring districts. It highlights the ongoing challenge of balancing budget constraints with the goal of providing a high-quality education for all students in RSD17.

What are some of the major increases in this budget?

Salaries

Total FY25 salaries equal an increase of \$577,481 (2.5%) over the FY24 budget. This amount is net of \$423,000 of proposed position staff eliminations (3 certified and 6 non-certified).

Health Insurance Premiums

RSD17 participates in the ECHMC cooperative health insurance program. The rate for FY25 has not been finalized, but was estimated to increase by at least 7%. An increase of \$482,981 was carried for FY25.

Transportation

FY25 will be year 2 of a 3-year student transportation contract, which contains a 9% rate increase for FY25 alone. This rate increase, combined with the addition of McKinney-Vento service requirements and increased SPED transportation, leads to a \$460,586, or 12%, increase.

Tuition

Tuition costs for both public and non-public tuitions (outplaced resident students for which RSD17 is financially responsible) are projected to exceed the FY25 budget of \$2,985,342, but to hit budget targets only 70% of the estimated increase was carried in hopes that some students will be able to rejoin district schools. With the budgeted increase of \$183,568 or 7%, tuition makes up 6% of the total expense budget.

Electricity

The new electricity supply contract went into effect 12/1/2023 (through 11/30/2026), and FY25 will be burdened for the full FY at the new rate which is about 25% higher than the former contract. This leads to an increase of \$140,654 or 15% total budget of \$1,068,846. It is important to note that the former contract was very low based on historical averages, and the new contract is reflective of current market conditions.

School-based Equipment

Equipment purchases for educational and school-based programs, such as viewboards, fitness equipment replacements, and tech ed kits, have been deferred for several years and received almost no funding (\$5,400) in FY24. An investment of \$185,094 will be made in equipment in this budget.

Are any positions being eliminated due to declining enrollment?

While RSD17 has leveled out on the enrollment decline, and demographic projections show continued stable enrollment numbers, the district remains committed to continuously assessing and adjusting staffing to effectively meet the educational needs of the District. This approach ensures that resources are allocated efficiently and that staffing levels are aligned with current and anticipated student needs.

In this budget, there will be a reduction of 9 Full-Time Equivalent (FTE) positions, consisting of 3 certified and 6 non-certified positions. Without these eliminations, salaries would increase 4% and drive over 2.1% of the total budget change. It is important to note these reductions will be handled through attrition, ensuring that no terminations occur due to the position eliminations.

Additionally, 1 FTE position is being added for a Controller in the Finance Office. This role will be responsible for overseeing the organization's daily operations.

How much debt is left on the Bonds?

The HK Middle School original construction bond was retired in FY24, leaving only the HK High School improvement bond outstanding (through FY30). Total principal and interest payments for FY25 are \$930,000, but \$496,000 will be paid for through the bond fund (not the general budget) using the final state reimbursements received from the project in 2024.

Why have administration costs increased?

It's important to clarify that this increase does not pertain to salary expenses but rather encompasses the expenses associated with administration of the District. Additionally the majority of this increase is a line item transfer from salaries as we entered into a contract with LEARN to provide necessary Financial Office services that had previously been staffed in-district. Other expenses cover essential services such as Legal, Finance, and Safety, along with administrative expenses for the Board of Education (BOE), Superintendent, and Assistant Superintendent. This year, the Board of Education added \$7,947 for professional membership to the Connecticut Association of Boards of Education (CABE), which offers valuable resources and professional development for board members. Overall administration funding is allocated towards supporting the operational and oversight functions necessary for the district.

How much has the budget gone up over the last 5 years?

The budget has increased \$7,930,391 over the last five years, or an average of 3.35% per year over the previous year's budget.

Why does the budget keep going up when enrollment keeps going down?

Increases in costs, despite declining enrollment, is primarily due to the fact that most expenses are fixed rather than variable; for instance, electricity, fuel, buses, central office and administrative staff costs do not decrease with fewer students. They go up every year on average 2 - 5%. Teaching staff salary and benefit costs only decrease due to declining enrollment when enrollment changes are great enough in one grade or one school program to eliminate a class section or other resources no longer needed **and** these decreases are greater than contract salary increases for that same year.

At the peak of our enrollment, we had over 2,700 students enrolled, we now have over 1,700. Along the way, the District decreased staffing due to fewer students in any one grade, and increased due to shifting emphasis on teaching in smaller groups.

For example, expenses can be impacted by the following:

- 1) one on one (or high needs Individual Education Plans) special education services for a student are needed or eliminated because the student joins or leaves the district, and
- 2) the district enrollment increases or declines significantly at one class level thereby eliminating or adding a full class and teaching staff to support it, and
- 3) adding or losing enough students to impact supplementary services such as reading/math intervention, speech or language, etc.

Does the school budget directly take money away from other town services?

For a comprehensive understanding of how town services are funded and whether the school budget impacts other services, it is advisable to consult with the Board of Finance in your town. They are best positioned to provide insights into the interplay between the school budget and the broader allocation of resources for municipal services.

How much does it cost to conduct a school budget referendum?

Each referendum costs towns approximately \$3,000-\$4,000 *per voting location*, but the question of specific amounts should be directed to the Haddam and Killingworth Boards of Finance.

Is this Referendum for the Master Plan?

No, this referendum is not about the Master Plan for the school buildings. The referendum is specifically for approving a Gross Operating Budget for the 2024/2025 school year.

The Master Capital Plan is a continuing initiative that the Board has been actively engaged in since 2022 to address the district's aging infrastructure. To date, the Board has conducted extensive research, community discussions, school tours, and consultations with town leaders to assess various options for the aging school buildings, particularly the high school and elementary levels. These assessments have highlighted the urgent need for action, as the buildings require renovation or replacement to meet modern educational standards and ensure health, safety, and security. The Board is prioritizing comprehensive solutions that align with 21st-century learning environments, state reimbursement qualifications, predictable capital improvement costs, transportation policies, and class size guidelines. Recognizing the risks associated with temporary fixes, such as infrastructure failures and reduced state reimbursement, the Board is focused on developing sustainable and impactful solutions. The Board continues to evaluate project details and hopes to inform the community on a solution by the end of the year.

Do you have a question for the FAQ? [Click here to submit your question](#)