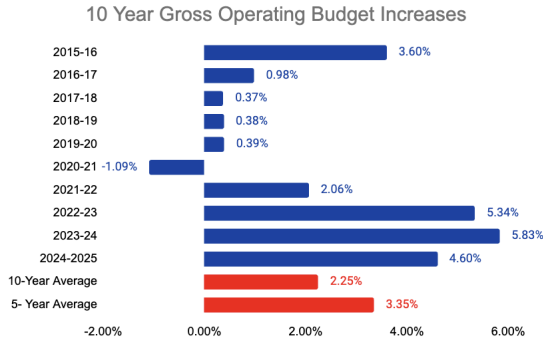


RSD17 Budget 2024/25: Balancing Investments in Education and Infrastructure

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 fund balances, the towns of Haddam and Killingworth will be assessed approximately \$28,626,814 (60.33%) and \$18,845,630 (39.67%), respectively. Student Enrollment as of 10/1/23 was 1,772.



Voting will take place from 6:00 a.m. - 8:00 p.m. at regular voting locations.

Factors Driving the Budget Increase

Major Expenses

- Salaries \$577,481
- Benefits \$518,707
- Transportation \$460,586
- Electricity \$140,654

Additional Increases for Educational Impact

- Special Education Tuition \$183,568
- School-Based Equipment \$179,694
- Educator and Leadership Professional Development \$51,511

Debt Service, Long-Term Investments, and Capital Fund

- Debt Service and Capital Fund Reduction (\$823,912)
- Building and Technology Infrastructure \$408,257

A More Detailed Explanation of the Budget Drivers

Salaries & Benefits

Total FY25 salaries represent an increase of \$577,481 over the FY24 budget. This amount includes the elimination of 9 Full-Time Equivalent (FTE) positions - 3 certified and 6 non-certified; these reductions will be handled through attrition rather than terminations. A \$55,000 contingency has been added for a potential new position for Financial Controller. Finally, health insurance premiums for FY25 are estimated to

increase by a minimum of 7%, contributing an increase of \$482,981 to this year's budget.

Transportation

FY25 will be year 2 of a 3-year student transportation contract, which contains a 9% rate increase. Combined with the addition of McKinney-Vento service requirements and increased Special Education transportation, this leads to a \$460,586 or 12% increase from last year.

Electricity

A new electricity supply contract went into effect 12/1/2023, and FY25 will be at the new rate which is about 25%, or an additional \$140,654, higher than the former contract. 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.

Special Education Tuition

The proposed Special Education increase of \$183,568 is due to the changing needs of our student population. Tuition costs for both public and non-public tuitions (outplaced resident students for whom RSD17 is financially responsible) were only budgeted at 70% of the estimated increase in hopes that some students will be able to rejoin district schools.

School-Based Equipment

An increase in this budget of \$179,694 is for school-based equipment that had been cut from the past few school budgets and received almost no funding (\$5,400) in FY24. The district has prioritized immediate needs and spread out purchases throughout the next few years.

Professional Development/Implementation of Science of Reading

RSD17 is one of only 17 of 86 Connecticut school districts to receive a full waiver for our comprehensive reading program, which has now been added to the state's short list of approved English Language Arts (ELA) programs. It has been implemented in grades K-6 and an additional investment in Professional Development and instructional supplies are needed as the program is extended through grade 8 in the upcoming year.

Debt Service, Long Term Investments, and Capital Fund

This year, the District will allocate state reimbursements of \$495,999 related to the HKHS solar project to pay down debt principal. With this flexibility and the retirement of the middle school bond, the District plans to invest \$1.3 million in buildings and

technology, which will include a phased-in installment of view boards as well as important security upgrades.

Although the District will initially fund the Capital account at 1% instead of the state maximum of 2%, it plans to utilize any year-end 24-25 fund balance to maximize the Capital fund contribution to the full 2%.

Town Assessment and Refund

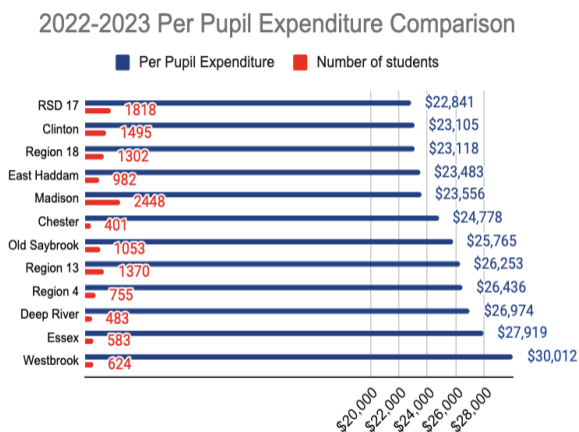
Assessment

Haddam and Killingworth contribute to the school budget based on their respective student enrollments as of October 1st of the preceding year, known as the "Average Daily Membership (ADM)." This academic year, enrollment shifted and Haddam has 49 fewer students, while Killingworth experienced an increase of 2. Consequently, Haddam's net assessment has decreased to 60.33% with a total of 1,069 enrolled students, while Killingworth's share is now 39.67% with 703.

Refund

At the end of every fiscal year, the district typically has a positive balance remaining in the budget. The unspent Audited Fund Balance is then credited to the following year's town gross budget obligation. This year, the Audited Fund Balance for 2023 is \$336,918. Additionally, a refund of \$723,539 will be issued due to financial system errors discovered during the latest audit covering FY21 and FY22. These errors stemmed from the failure to properly close out purchase orders at year-end and have been corrected. The total credit to the towns this year will be \$1,060,457.

RSD 17 Per-Pupil Costs Compared to Other Districts



RSD17's per-pupil expenditures have consistently remained low compared to neighboring school districts. Understanding the town's limited resources, the Board of Education works diligently to balance budget constraints and prioritize academic programs, essential services, and infrastructure maintenance. The Board is committed to efficient resource management and aims to limit the impact of lower per-pupil expenditures both on educational outcomes and on overall community well-being.

The Board of Education, as always, continues to be grateful for the community's support of our district's budget.

Haddam BoE Members

Prem Aithal, Jen Favalora, Shawna Goldfarb, Hamish MacPhail, Heather Pach, Corey Roberts

Killingworth BoE Members

Lisa Connelly, Nelson Rivera, Suzanne Sack, Jennifer Voegtli, Kathy Zandi