Town of Somers Annual Budget Public Hearing Fiscal Year 2020-2021

April 21, 2020

Proposed 2020-2021 Annual Budget Public Hearing

The Board of Finance thanks you for attending this evening's virtual annual budget public hearing. We recognize that good, responsive, government depends on your interest and involvement. This evening's program will include the following presenters:

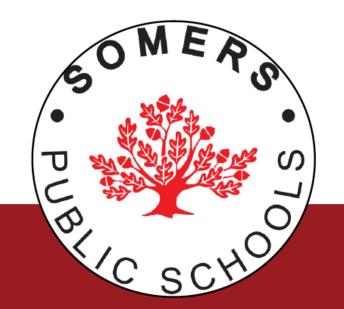
AGENDA

| Welcome | Chief Financial Officer | Michael Marinaccio |
|---------------------------|-----------------------------------|------------------------|
| Board of Education | Superintendent of Schools | Brian Czapla |
| Board of Selectman | First Selectman | Bud Knorr |
| Total Budget | Assistant Finance Director | Brian Wissinger |
| Public Comments | Assistant Finance Director | Brian Wissinger |
| Wrap Up | Chief Financial Officer | Michael Marinaccio |

Board of Education Budget

Brian Czapla, Superintendent

BOARD OF EDUCATION 2020-21 BUDGET



"MOVING SOMERS FORWARD"

Somers Public Schools Strategic Plan of Action 2019-2024



Moving Somers Forward

Full Report

Vision

The Somers Public Schools strives to be an exceptional and innovative educational community.

Mission

The mission of the Somers Public Schools is to prepare each student to contribute and succeed in an ever-changing global society.

Goals



Goal 1: Student Achievement



Goal 2: Professional Learning



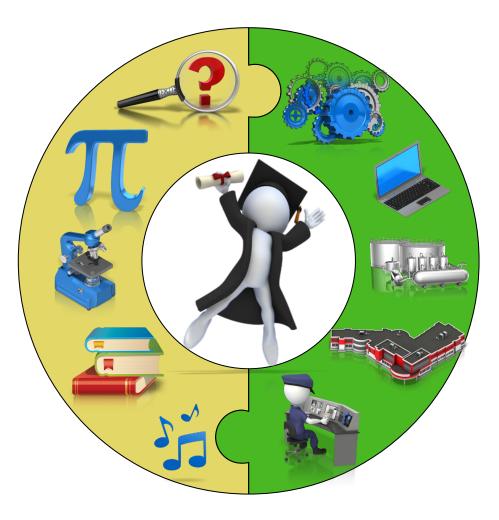
Goal 3: Accountability



Increase student achievement and educational opportunities.

Provide students with mental health resources.

Continue to update and maintain all facilities.





2020-21 Proposed Budget

Proposed Budget: \$24,689,970

Increase: \$805,833

Percent Change: 3.37%



Budget Breakdown

| Contractual Obligatio | ns l | Proposed Budget | % |
|-----------------------|---------|-----------------|-------|
| Salaries | | \$15,786,294 | 63.7% |
| Insurance & Benefits | | \$4,008,825 | 16.6% |
| Tuition | | \$1,177,100 | 4.7% |
| Transportation | | \$1,173,550 | 4.7% |
| Utilities | | \$621,600 | 2.5% |
| S | ubtotal | \$22,767,369 | 92.2% |

| Programming | Proposed Budget | % |
|-------------------------|-----------------|------|
| Maintenance | \$553,715 | 2.2% |
| Instructional Resources | \$448,270 | 1.8% |
| Equipment | \$371,540 | 1.5% |
| Extracurricular | \$324,731 | 1.3% |
| Administrative Overhead | \$224,345 | 0.9% |
| Subtota | l \$1,922,601 | 7.8% |



Significant Impacts

CONTRACTUAL OBLIGATIONS

| Salaries | \$416,406 |
|----------------------|-----------|
| Insurance & Benefits | \$208,700 |
| Tuition | -\$20,100 |
| Transportation | \$49,970 |
| Utilities | \$6,300 |
| TOTAL | \$661,276 |



Significant Impacts

PROGRAMMING

(Goal 1: Academic Achievement)

Textbooks (\$81,800)

- Elementary school language arts (Fountas and Pinnell)
- New elementary & middle school math programs
- High school Advanced Placement (AP) courses expansion

Departmental Supplies (\$28,720)

- Special Education specialized programming *(federal &state mandates)*
- Science equipment replacement and modernization
- Music replacement plan

\$110,520

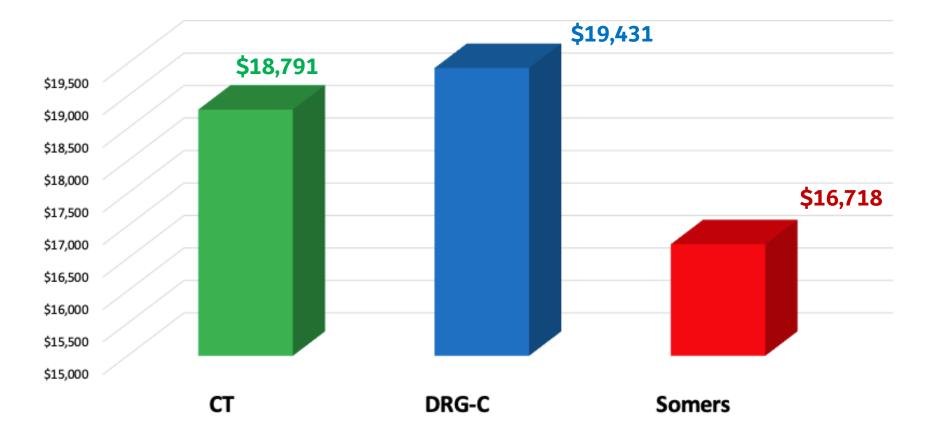


Requests Not Funded

| ltems | Amount |
|---|-----------|
| Requested | Requested |
| Part-time Kindergarten Paraeducators | \$100,000 |
| District Wide 504 Coordinator | \$76,000 |
| Grade 2 Teacher | \$76,000 |
| SHS Social Studies Teacher | \$76,000 |
| Safety and Security Officer | \$55,000 |
| Pre-K Transportation | \$47,000 |
| Miscellaneous Capital Outlay | \$47,000 |
| Technology Support Specialist | \$45,000 |
| Maintenance & Security Special Projects | \$25,000 |
| SES Building Substitute | \$25,000 |



Per Pupil Expenditures (PPE) Comparisons

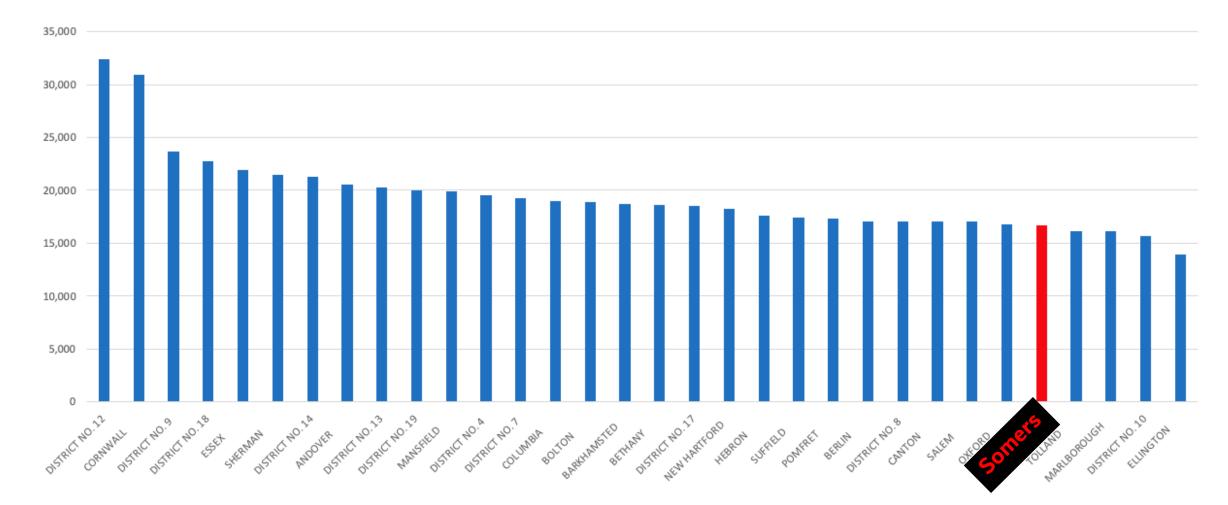


Source: Connecticut State Department of Education, 2018-19 Net Current Expenditures Per Pupil



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Per Pupil Expenditure Comparisons





Potential COVID-19 Costs

(not included in the budget)

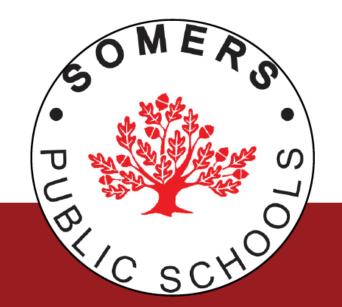
| Health Insurance Increases | Special Education Tuition Increases |
|--|--|
| Retirements | Increased Out of District Placements |
| Expanded Summer School | Remedial Services |
| Increased Custodial Hours (sanitizing) | Distance Learning Resources |
| Health, Wellness, & PPE Supplies | Classroom Set-Ups (social distancing) |



Cost Avoidance

| Recent Contract Negotiations Medical Insurance Plan Change Medical Insurance Premium Share BOE Pensions (non-certified) | \$339,000 (over the life of the contract) \$49,000 \$24,000 |
|--|---|
| Energy Conservation InitiativesLightingHVAC Controls | \$106,000 \$507,000 (lifetime of equipment) |
| Van Transportation Contract | \$75,000 |
| Medical Insurance Provider Change | \$200,000 |
| Specialized Programming at SES | \$1,800,000 (annually) |

BOARD OF EDUCATION 2020-21 BUDGET



"MOVING SOMERS FORWARD"

Town Budget

Bud Knorr, First Selectman

Town Proposed Budget

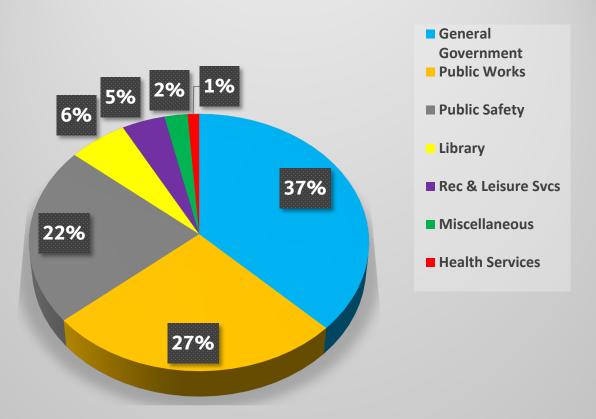
| Approved Fiscal Year 2019-20 Budget | \$7,968,451 |
|-------------------------------------|-------------|
| Proposed Fiscal Year 2020-21 Budget | \$8,315,689 |
| Increase | \$347,238 |
| Percentage Change | 4.36% |

Increase Drivers

| Category | 19-20 Budget | 20-21 Budget | Increase | Percent |
|--|-----------------|---------------------|-----------------------|--------------------|
| Salaries | \$3,524,968 | \$3,623,343 | \$98,645 | 2.80% |
| An additional FTE ac Services, and Recrea | | 020 during the reor | ganization of the Sen | ior Center, Social |
| Health Insurance | \$760,109 | \$847,737 | \$87,628 | 11.53% |
| 2 additional employe but 2 new FTE's that | • | | • | premium costs, |
| Fire Department | \$1,000,296 | \$1,058,480 | \$58,184 | 5.82% |
| Increases due to new purchase of medical s | | ••• | | |

2020-21 Expense by Function

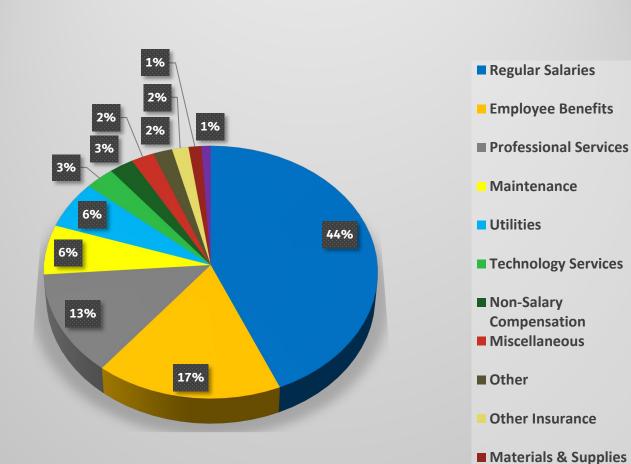
| Function | 2019-20 | 2020-21 | Increase | Percent |
|-----------------------|-------------|-------------|-----------|---------|
| General Government | \$3,005,848 | \$3,103,771 | \$97,923 | 3.26% |
| Public Works | \$2,107,795 | \$2,204,291 | \$96,496 | 4.58% |
| Public Safety | \$1,751,488 | \$1,855,059 | \$103,571 | 5.91% |
| Library | \$490,275 | \$497,230 | \$6,955 | 1.42% |
| Rec & Leisure Svcs | \$324,092 | \$363,886 | \$39,794 | 12.28% |
| Miscellaneous | \$195,000 | \$195,000 | \$0 | 0% |
| Health Services | \$93,953 | \$96,452 | \$2,499 | 2.66% |
| Total | \$7,968,451 | \$8,315,689 | \$347,238 | 4.36% |



Percent of Total Budget

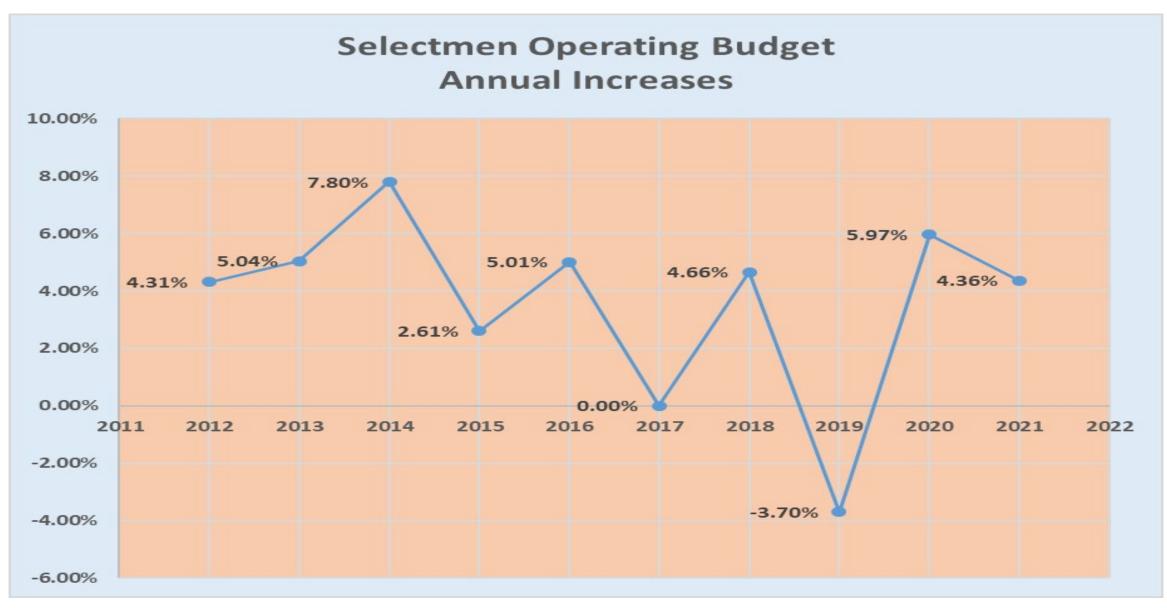
2020-21 Expense by Category

| | | | Increase/ |
|----------------------------|-------------|-------------|------------|
| Category | 2019-20 | 2020-21 | (Decrease) |
| Regular Salaries | \$3,524,698 | \$3,623,343 | \$98,645 |
| Employee Benefits | \$1,311,109 | \$1,424,737 | \$113,628 |
| Professional Services | \$1,057,514 | \$1,088,963 | \$31,449 |
| Maintenance | \$526,984 | \$528,249 | \$1,256 |
| Utilities | \$523,402 | \$507,348 | (\$16,054) |
| Technology Services | \$225,383 | \$249,356 | \$23,973 |
| Non-Salary Compensation | \$199,834 | \$207,094 | \$7,260 |
| Miscellaneous | \$195,000 | \$195,000 | \$0 |
| Other | \$85,387 | \$163,394 | \$78,007 |
| Other Insurance | \$140,000 | \$140,000 | \$0 |
| Materials & Supplies | \$101,470 | \$109,765 | \$8,295 |
| Dues & Seminars | \$77,670 | \$78,440 | \$770 |
| Total | \$7,968,451 | \$8,315,689 | \$347,238 |



Dues & Seminars

- Average annual increase of 3.61% over the last 10 years
- Average annual inflation increase of 3.22% over the last 10 years
- Modest annual growth while adding, not cutting, services



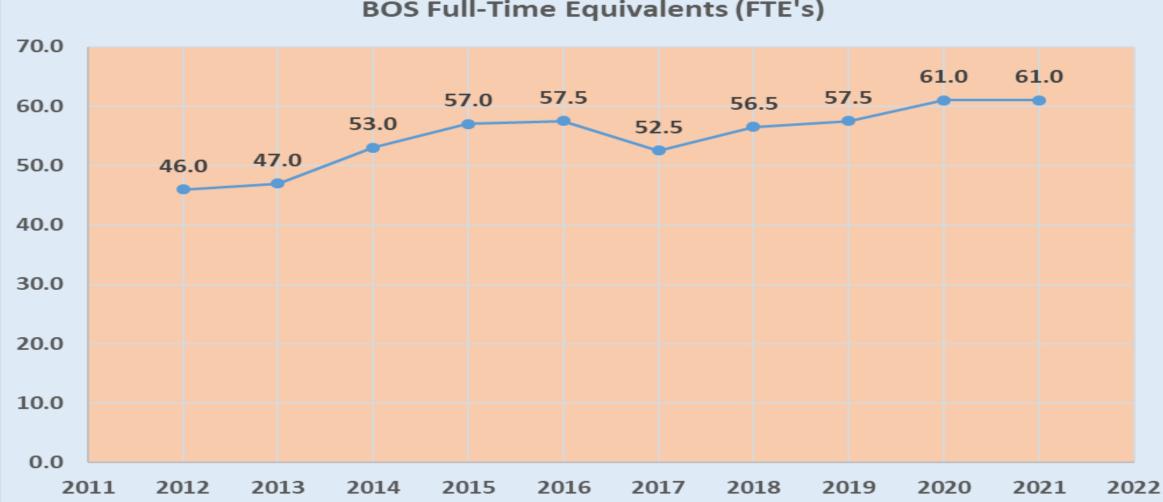
Staffing Levels

Actual Staff 2020

Proposed Staff 2021

| Actual Staff 2020 (FTE's) | 61 | Proposed Staff 2021 (FTE's) | 61 |
|---------------------------|----------------------|-----------------------------|---------------|
| Full-Time | | Full-Time | |
| Part-Time | 46 | Part-Time | 46 |
| | 30 (15 FTE's) | | 30 (15 FTE's) |
| | | | |
| | | | |

- Growth of 15 FTE's over past 10 years; 1.5/year
- Due primarily to increases in Public Safety personnel
- Local police replacing State Police; adding staff and school resource officers; adding full and part time Fire/EMT and Paramedic positions



BOS Full-Time Equivalents (FTE's)

Total Budget

Srian Wissinger, Assistant Finance Director

Total Budget

- Town Budget increase is 4.36%; Board of Education is 3.37%
- Debt service payments are leveling off; no increase over last year; Capital Budget up 20%
- Total Budget overall increase of 3.56%

| | Fiscal 2019-20 | Fiscal 2020-21 | Increase/(Decrease) |
|--------------------|----------------|----------------|---------------------|
| Town | \$7,968,451 | \$8,315,689 | \$347,238 |
| Board of Education | \$23,884,137 | \$24,689,970 | \$805,833 |
| Debt Service | \$1,648,829 | \$1,648,829 | \$0 |
| Capital | \$250,000 | \$300,000 | \$50,000 |
| Total | \$33,751,417 | \$34,954,488 | \$1,203,071 |

- Bonded debt per capita is \$1,110; state average is \$2,580
- Somers ranks 121/169; lowest quartile in the state
- Debt service payments are leveling off; no increase over last year



Revenues

- Revenues increasing 0.84%; State Aid increasing 1.32%
- Use of Fund Balance up significantly
- Other Financing Sources increasing by 23.17%

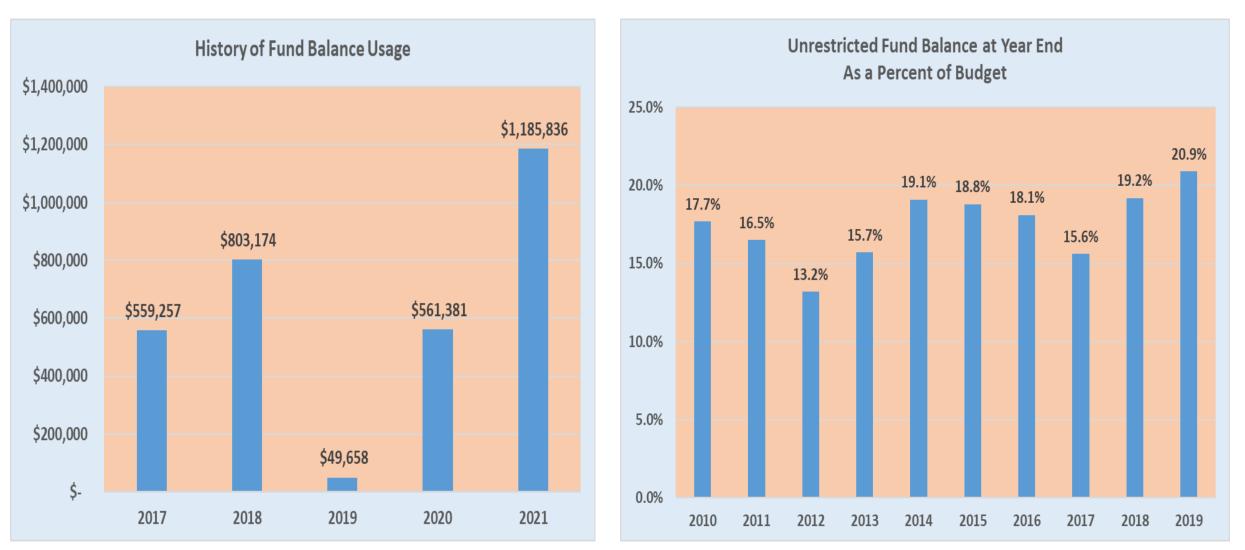
| | Fiscal 2019-20 | Fiscal 2020-21 | Increase/(Decrease) |
|---------------------|----------------|----------------|---------------------|
| Property Taxes | \$23,827,069 | \$24,028,034 | \$200,965 |
| State Aid | \$8,198,847 | \$8,306,768 | \$107,921 |
| Licenses & Permit | \$353,350 | \$403,600 | \$50,250 |
| Interest | \$200,000 | \$200,000 | \$0 |
| Miscellaneous | \$290,770 | \$310,250 | \$19,480 |
| Transfer In | \$320,000 | \$520,000 | \$200,000 |
| Use of Fund Balance | \$561,381 | \$1,185,836 | \$624,455 |
| Total | \$33,751,417 | \$34,954,488 | \$1,203,071 |

- Local tax revenues are impacted by Grand List Growth
- Town's Net Grand List increased \$10.1 million or 1.16% higher than last year
- Results in a slight increase of additional local tax revenues of about \$276,228 or a 0.32 mill equivalent

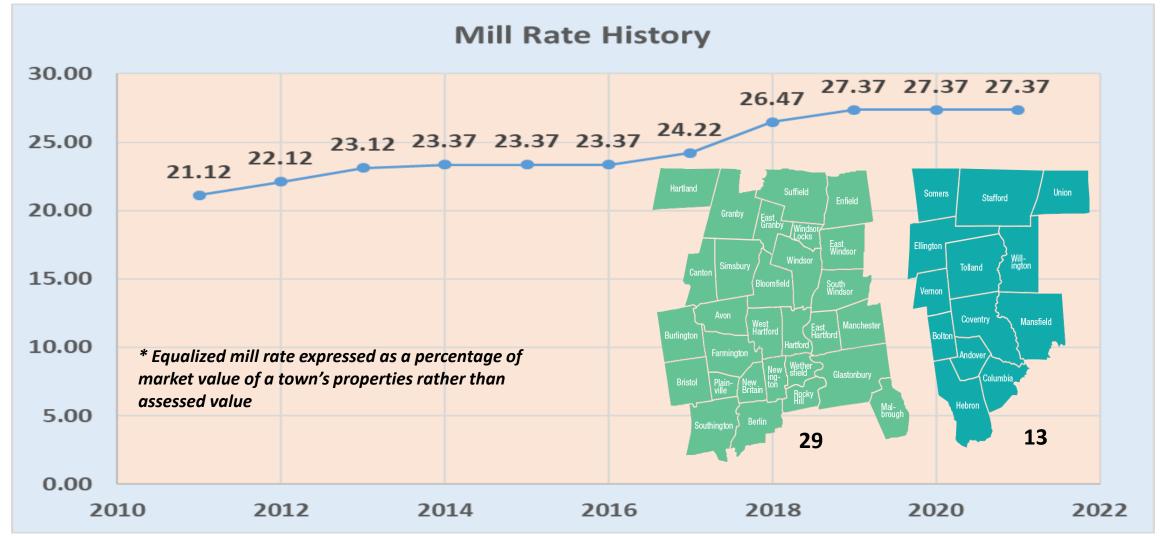


Strategic Use of Fund Balance

- Utilized for tax stabilization providing revenue to offset property tax increases
- Total use of \$3,159,306 in 5 years; Avoided a total of 3.64 mills in property tax increases
- Historical fund balance usage for past 4 years with projected use in FY 2021



- No tax increase in FY 2021; Three consecutive years at a mill rate of 27.37
- Moderate mill rate growth over past 10 years: 6.25 mills
- Second lowest equalized mill rate* of 17.58, in Hartford and Tolland counties (42 towns); lowest in Tolland county



Public Comment Session Guidelines

- Moderator will recognize you and unmute your line
- We will be following a pre-approved list
- State your name and address prior to presenting your comments
- Please speak directly into the microphone
- Kindly limit comments to 5 minutes.
- Once everyone has been heard you will have the opportunity to speak again
- To speak again, select Participants on the bottom of your screen and click raise hand
- All comments will be recorded
- This will not be a Q&A Session
- Thank you for your cooperation

Wrap up

Remaining Budget Schedule modified by COVID-19 Governor's Executive Order

May 5, 2020 – The Board of Selectmen vote to authorize the Board of Finance to adopt the annual budget and set a mill rate.

May 12, 2020 – The Board of Finance votes to adopt the annual budget for the FY 2021 and sets the mill rate.

If you have any questions after tonight, please e-mail Michael Marinaccio (<u>Mmarinaccio@somersct.gov</u>) or Brian Wissinger (<u>Bwissinger@somersct.gov</u>) regarding the Town budget, or Brian Czapla (<u>Brian.Czapla@somers.k12.ct.us</u>) regarding the Board of Education budget.

On-line versions of the this evening's presentation, are available at:

www.somersct.gov