

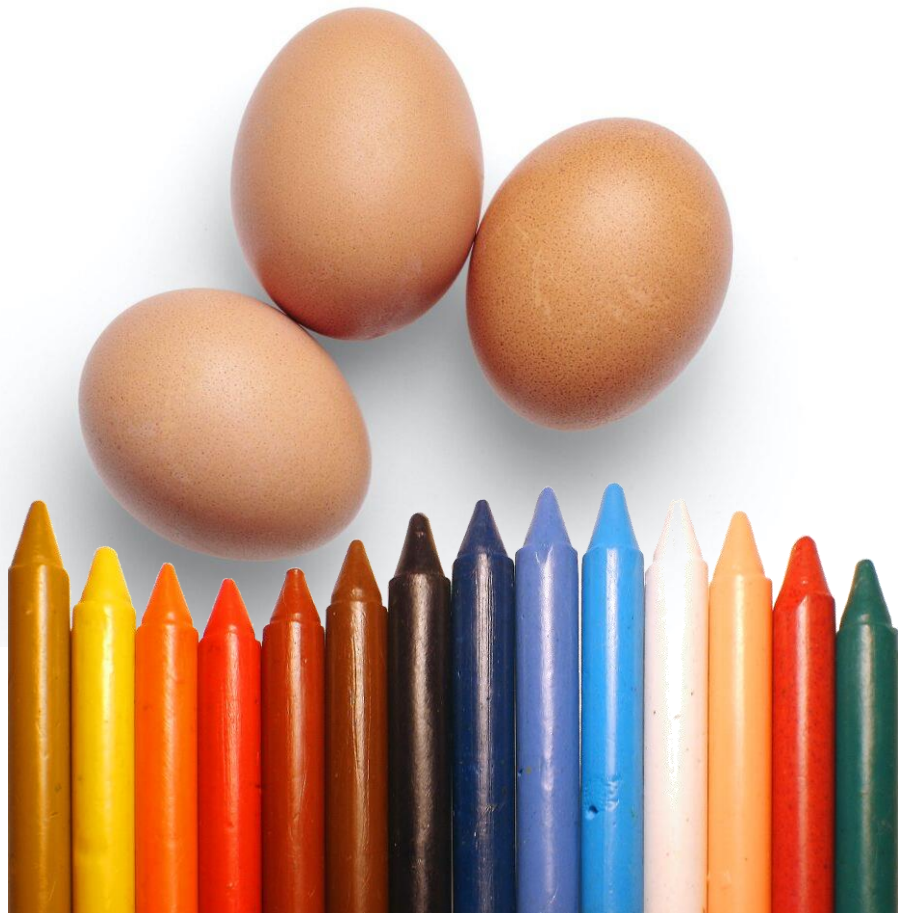
SUPERINTENDENT'S PROPOSED BUDGET 2023-2024

Dr. Scott V. Nicol, Superintendent

January 18, 2023



JANUARY 4TH BUDGET WORKSHOP



TODAY'S SCHEDULE HIGHLIGHTS

Introduction

Budget Themes

Major Drivers

THE Budget Number

FOR SATURDAY

Breakfast (8:30 am)

Intro & Recap (9:00am)

Three presentations

Paraeducator Staffing

Melissa Haberern & Sara Spak

Examining EHS Programming

John Guidry

Restructuring for a New Supports

Oliver Barton & Michael Verderame

Notable Accounts

Question and Answer

Lunch

FUTURE MEETINGS

January 21, 2023	8:30 AM	Board Budget Workshop
January 24, 2023	6:00 PM	Finance Committee Meeting
January 25, 2023	6:00 PM	Regular BOE Meeting
January 31, 2023	5:00 PM	Additional BOE Meeting (if necessary)

VISION



...grows exceptional *learners & leaders* who are *courageous*, *reflective*, and *contributing* citizens of the world.

MISSION



...creates a ***culture of learning*** that
challenges & inspires all students on
their ***personalized journey***.

ZERO-BASED BUDGETING PROCESS

- Every year we develop budgets from bottom up
- Staffing models are examined
 - Several years of restructuring
 - Central Office Admins cut
 - Reading Interventionists restructured
 - Proposed restructure this year
- New ways of doing business
 - Self-Insurance Model for Health and Dental
- Examine new revenue streams to offset costs
- Shared services – IT



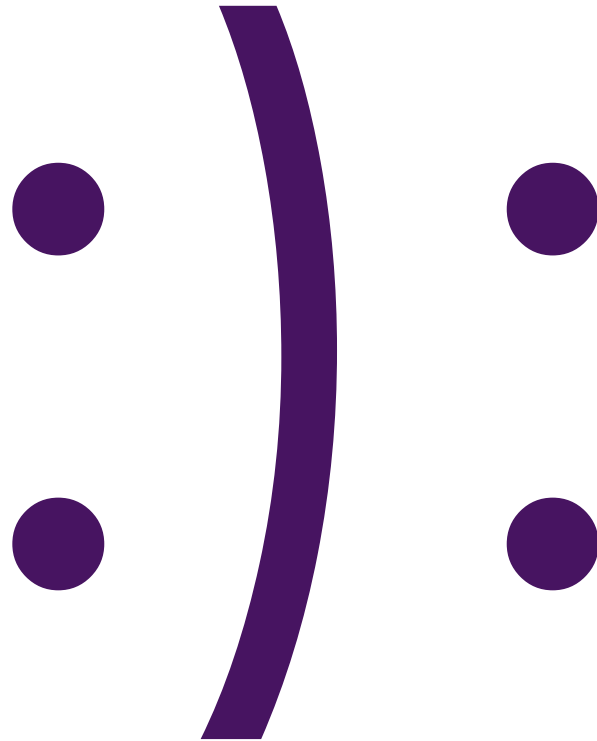
**TOWN OF ELLINGTON
BOARD OF FINANCE**

ZERO-BASED BUDGETING

POST-PANDEMIC FINANCIAL SUSTAINABILITY
A FRAMEWORK FOR DISCUSSION

IN 2021-2022 ELLINGTON HAD THE
3RD LOWEST PER PUPIL SPEND

MIXED EMOTIONS



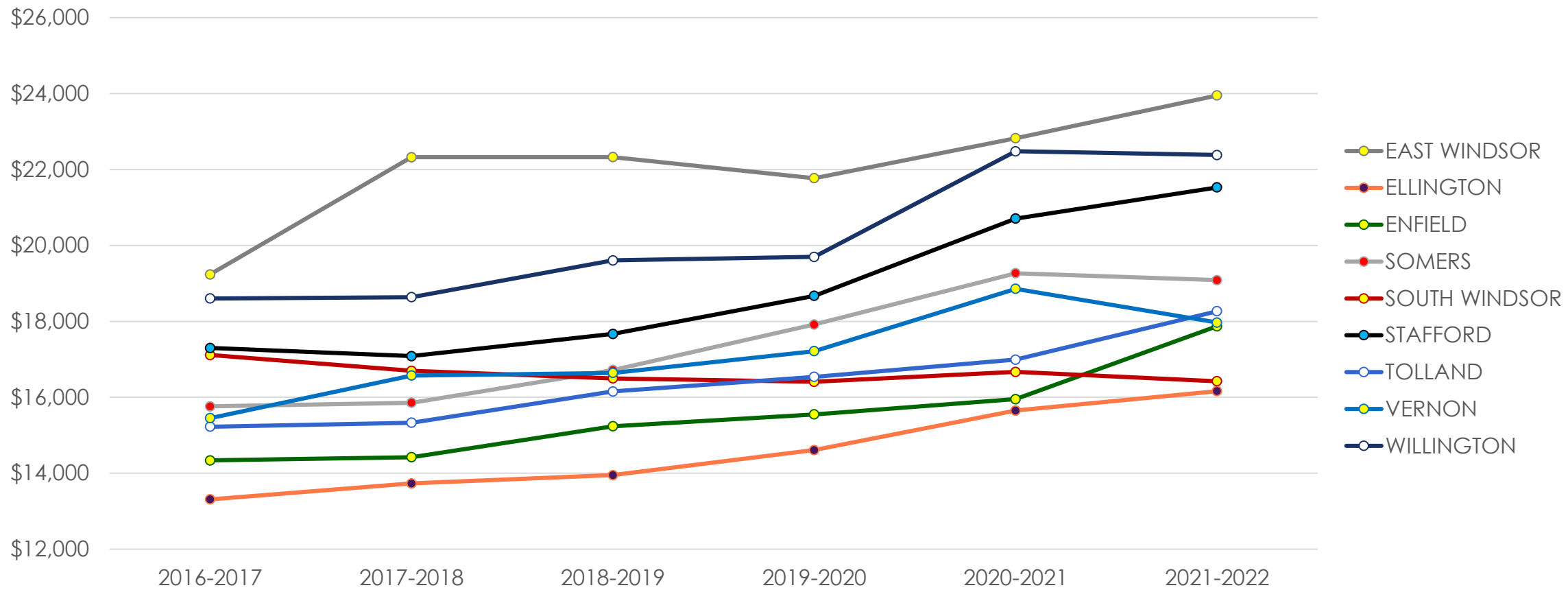
IN 2021-2022 ELLINGTON WOULD HAVE NEEDED TO SPEND

\$11,470,992

MORE TO EQUAL THE MEDIAN STATEWIDE PER PUPIL COSTS.

PER PUPIL SPENDING

FY 2017-2022

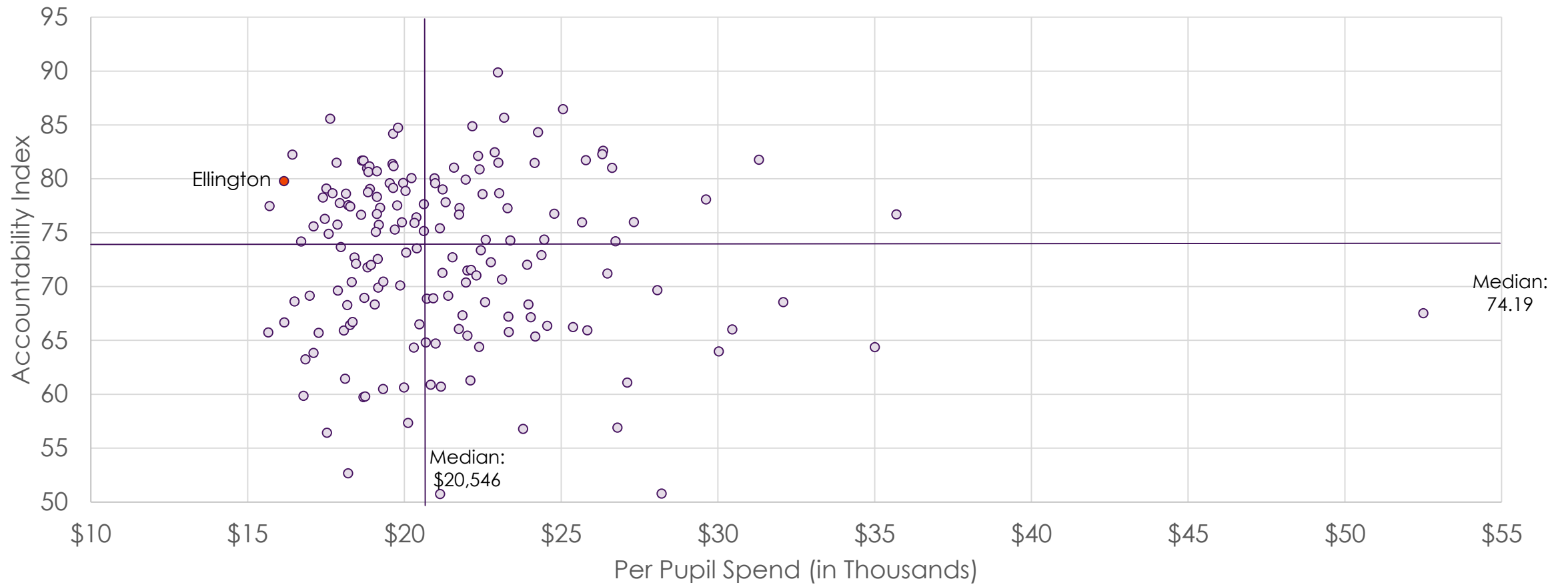


RETURN ON INVESTMENT

District	Accountability		ROI Index	ROI Rank
	Index	Per Pupil (\$)		
South Windsor	82.25	\$16,423	199.68	1
Wolcott	77.46	\$15,694	202.60	2
Ellington	79.77	\$16,162	202.60	2
Tolland	77.43	\$18,267	235.91	24
Simsbury	80.71	\$19,123	236.95	25
Suffield	79.06	\$18,895	239	27
Avon	77.31	\$19,225	248.68	39
Somers	75.07	\$19,087	254.24	46
Canton	75.30	\$19,696	261.57	53
Greenwich	82.29	\$26,311	319.73	120

ROI Index = Per Pupil divided by Accountability Index (represents dollars per point, lower is better)

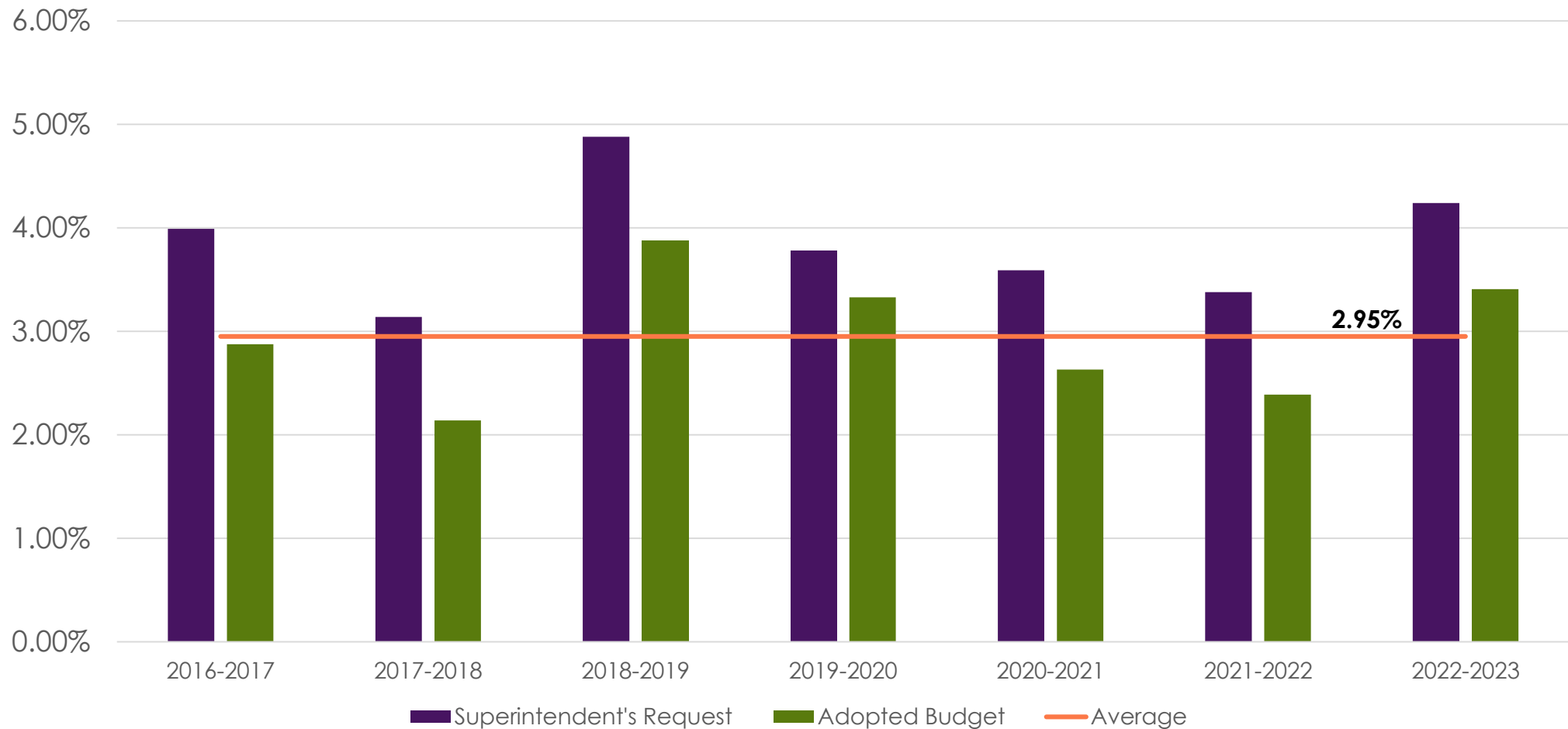
PER PUPIL SPEND VS TEST SCORES



AVERAGE BOE ADOPTED OPERATING
INCREASE OVER LAST 7 YEARS?

2.95%

BUDGET INCREASES (%)



STATE FUNDING (TOWN REVENUE)

	2020-2021	2021-2022	2022-2023	2023-2024*
Total ECS	\$9,946,889	\$10,030,891	\$10,105,344	\$10,179,780
Increase	\$116,393	\$84,002	\$74,453	\$74,436

Increases are to Town-side revenue, but offset total budget increases

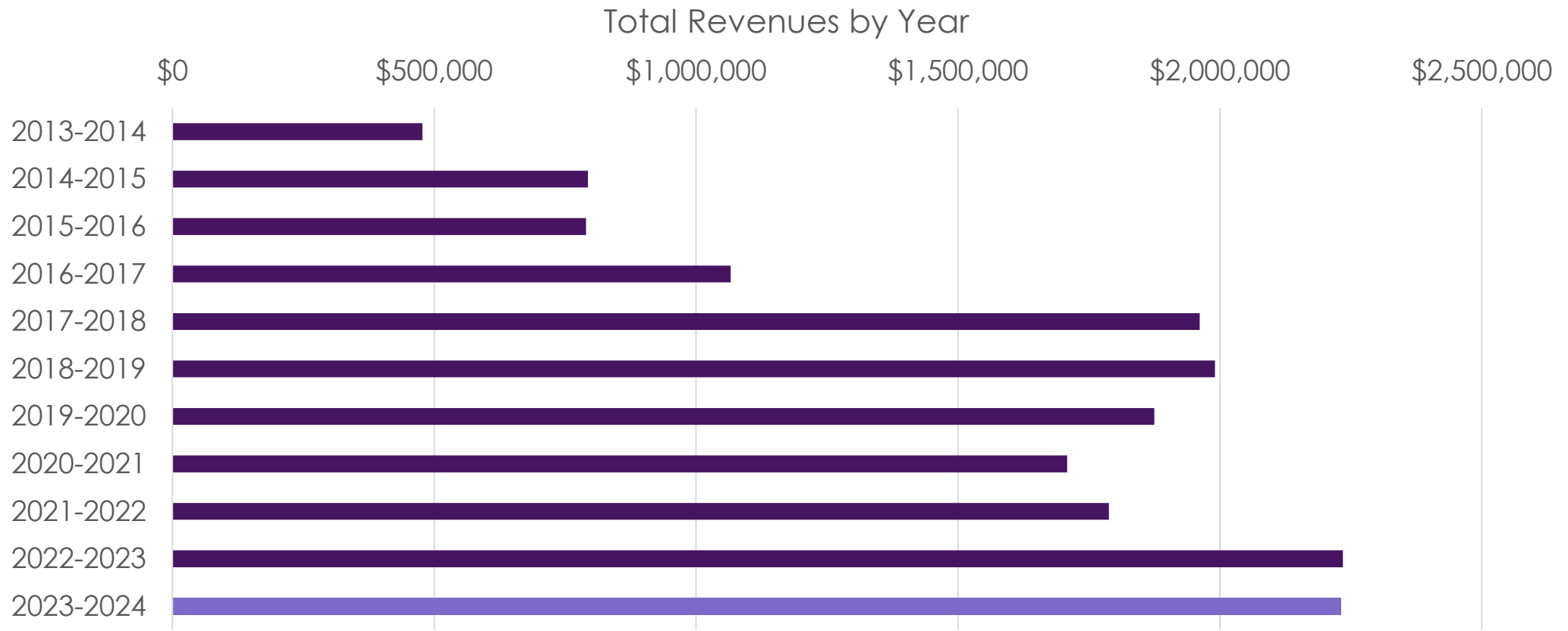
*Estimate per School + State Finance Project

STRATEGIC INVESTMENT

EXAMINE REVENUE STREAMS

- Special Education Tuition
- Medicare
- Open Choice
- Restricted Donations
- Excess Cost
- Educational Cost Sharing (ECS)

STRATEGIC INVESTMENT

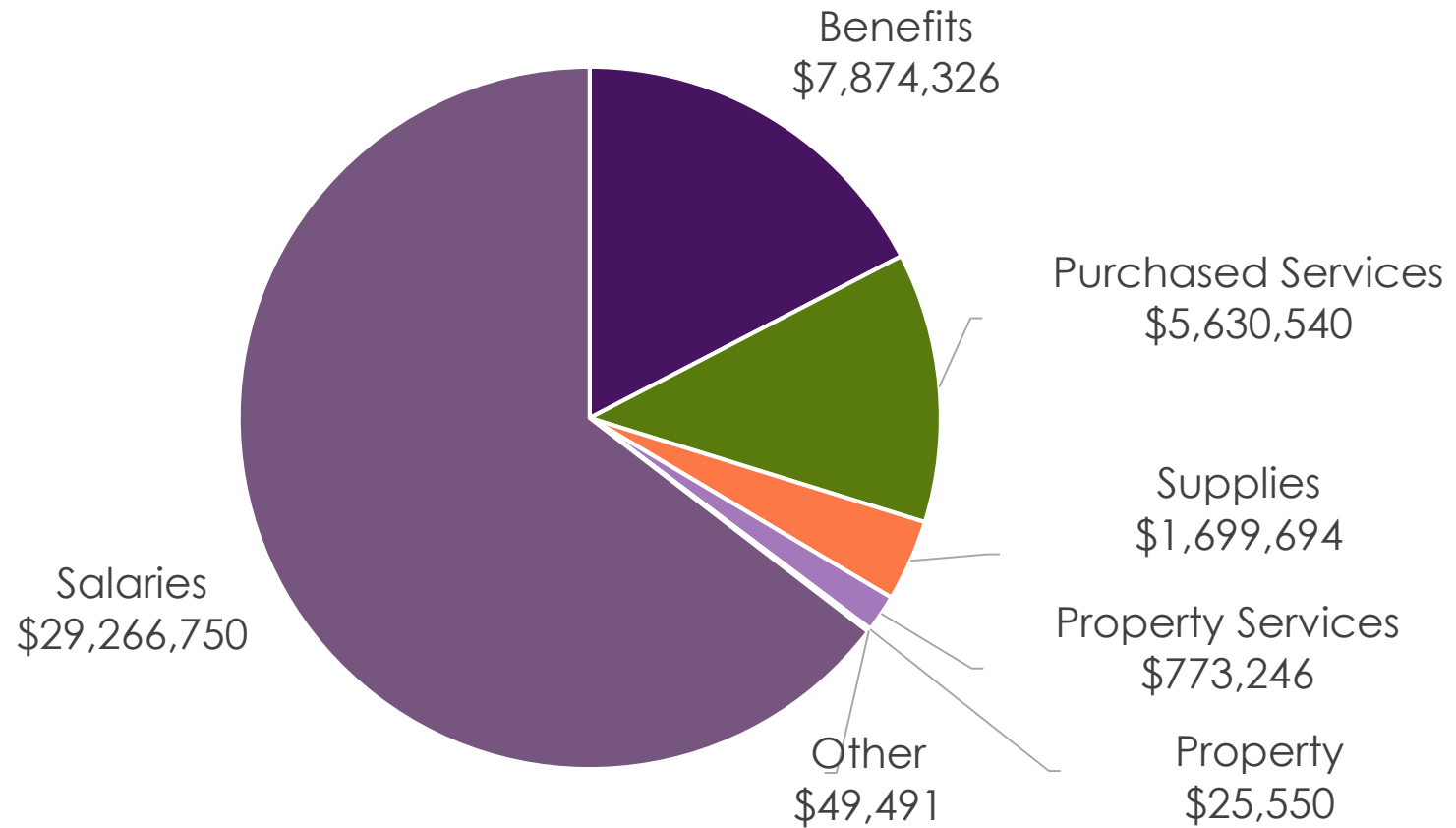


PROJECTED REVENUES

Revenue Source	2022-2023 Proposed
EDUCATION EQUALIZATION (E.C.S.) GRANT	\$10,179,780
ADULT ED & VO AG	\$23,329
MISCELLANEOUS	\$500
SUBTOTAL – TOWN REVENUE	\$10,203,609
PRE-KINDERGARTEN	\$280,000
SPECIAL EDUCATION REVENUE ACCOUNT	\$1,150,000
OPEN CHOICE ATTENDANCE FUNDS	\$752,000
RESTRICTED DONATIONS	\$20,000
MEDICAID	\$20,000
SUBTOTAL – BOARD OF EDUCATION REVENUE	\$2,222,000
	\$12,425,609

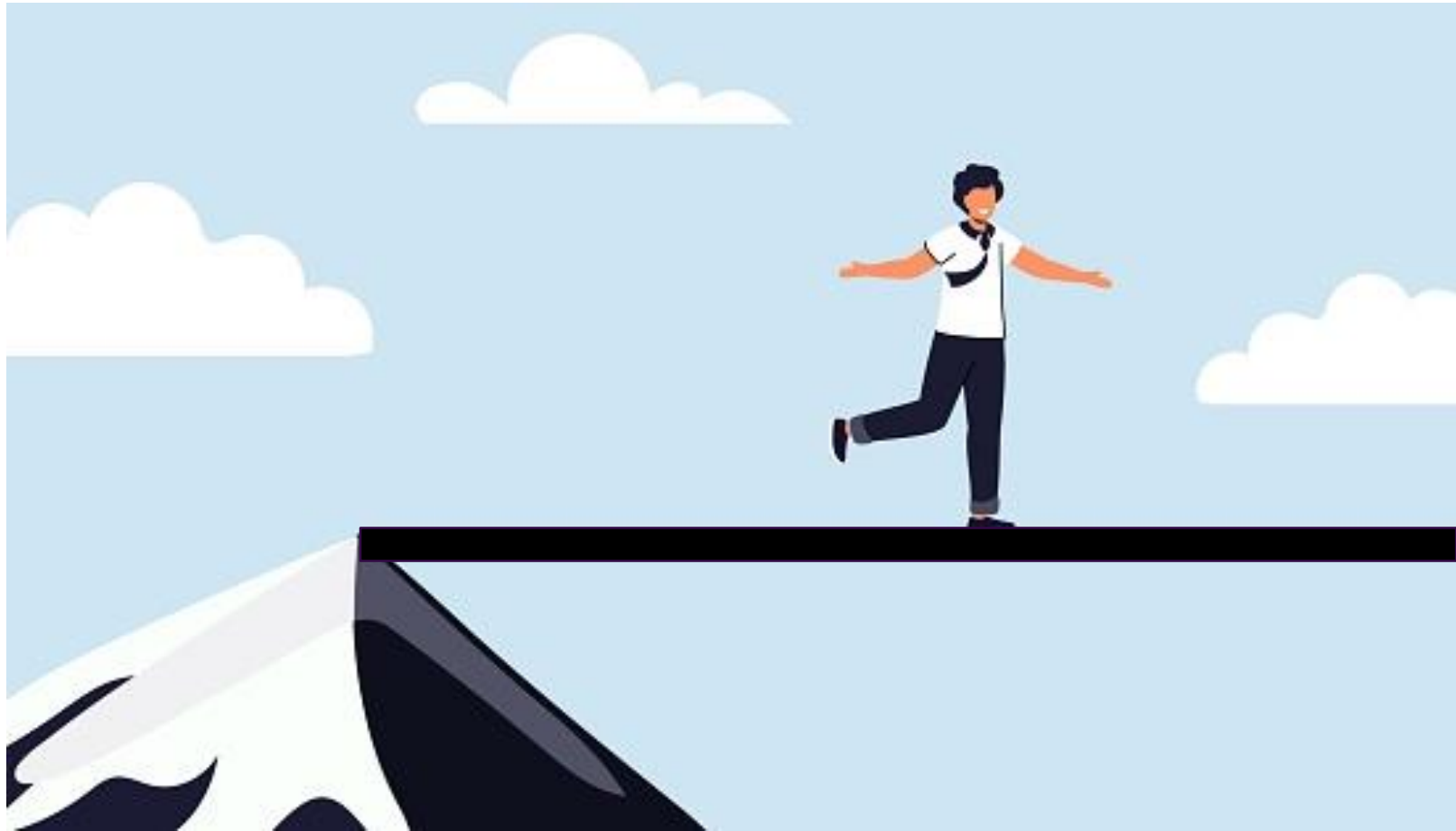
MAJOR DRIVERS

BUDGET BY CATEGORY



FROM 2017-2018 TO 2022-2023 BUDGETS, THE
OVERALL CHANGE IN ACCOUNTS OUTSIDE OF
SALARIES, BENEFITS, AND TRANSPORTATION WAS....?

A reduction of \$141,609 (-2.95%)





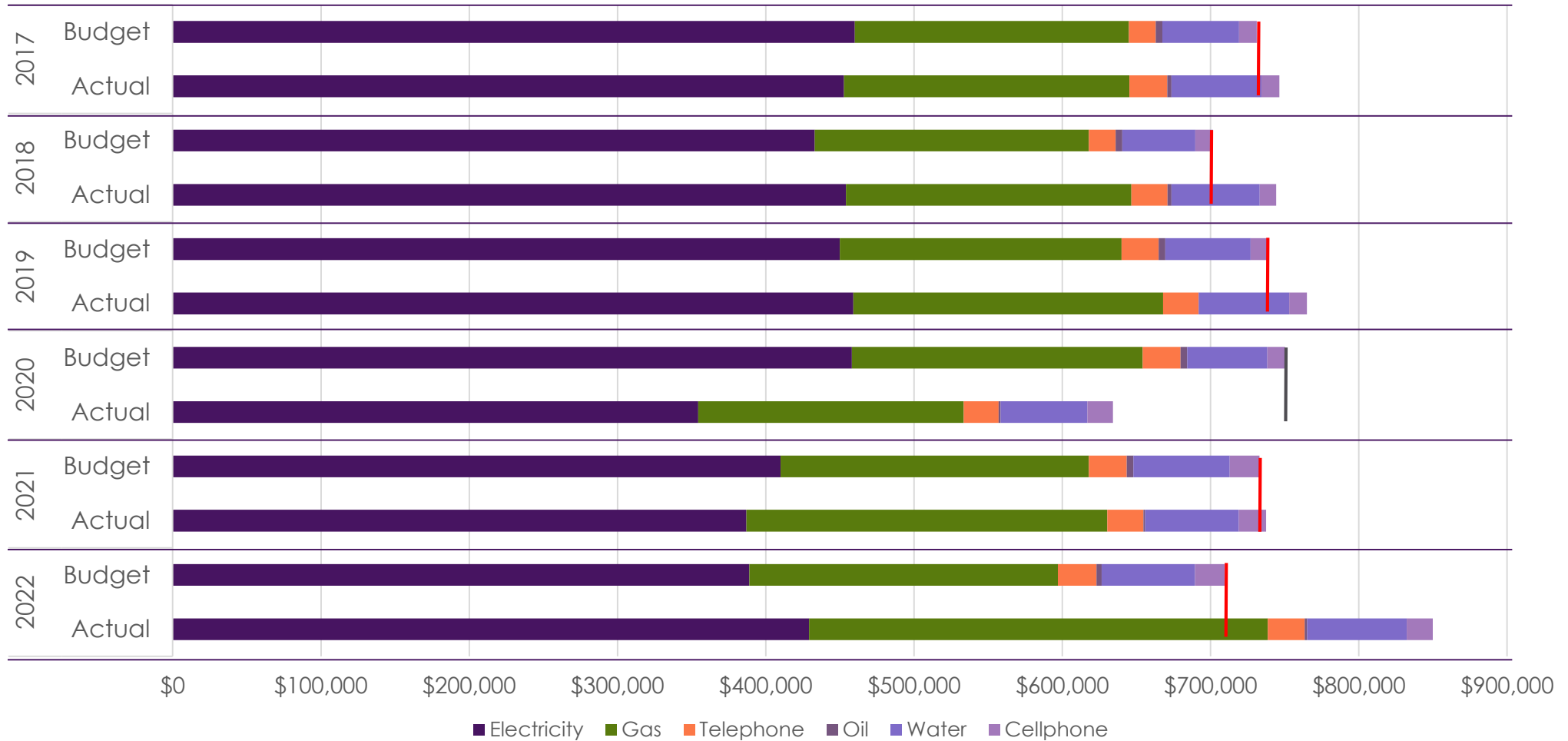
AREAS OF PARTICULAR FOCUS

- Utilities
- Benefits - Retirement
- Maintenance & Custodial Supplies
- Tuition

UTILITY ACCOUNTS ON AVERAGE WERE UNDER
BUDGETED BY \$_____ ON AVERAGE SINCE 2017-2018.

\$45.7K

UTILITY BUDGET VS ACTUAL OVER TIME



Avg. Diff
 (\$45.7K)
 (6.41%)
 Excluding 2020

UTILITIES

- **Electricity – up \$58.1K (14.49%)**
 - Supply costs increased from \$0.07789/kWh to \$0.1187/kWh
 - First time - Plan to joint purchase with Town for November 2023
 - Planning on average \$0.12/kWh for 23-24 budget
- **Natural gas – up \$94.5K (40.56%)**
 - Broader forces (regional and international) pushing up cost of Natural Gas
 - HVAC projects may help reduce expenditure, but approval and schedule are not determined

MAINTENANCE & CUSTODIAL SUPPLIES

- **Up \$136.5K in total**
- \$70K associated with HVAC line item alone
- Historically under budgeted
- Aging infrastructure = unplanned projects
- State mandates on custodial supplies – approx. \$30K of increase

RETIREMENT

- **Up \$146.6K or 16.79%**
- Three primary drivers for 23-24
 - Normal salary increases
 - CMERS Rate increases
 - Under budgeted in current fiscal year 22-23

TUITION

OVERALL, THE NUMBER OF STUDENTS
OUTPLACED IS _____ SINCE 2016-2017.

Down

Current:	7
2016-2017:	9

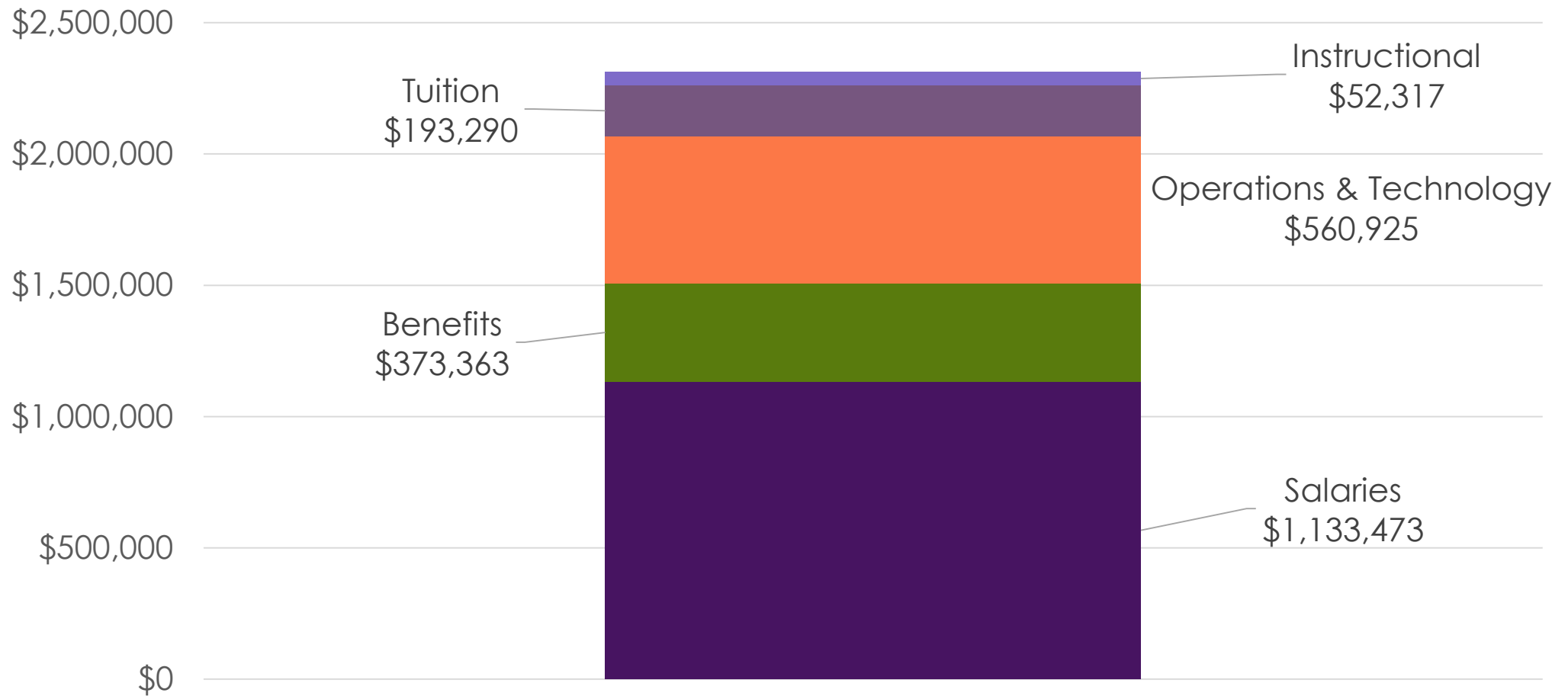
TUITION

- **Total increase \$193K**
- Our programs keep kids in Ellington
 - Administrators
 - Teachers
 - Paraeducators
- Highly variable – one student could be \$75-100K in district costs
- Also affects transportation
- Regular education also driving cost increase \$30K

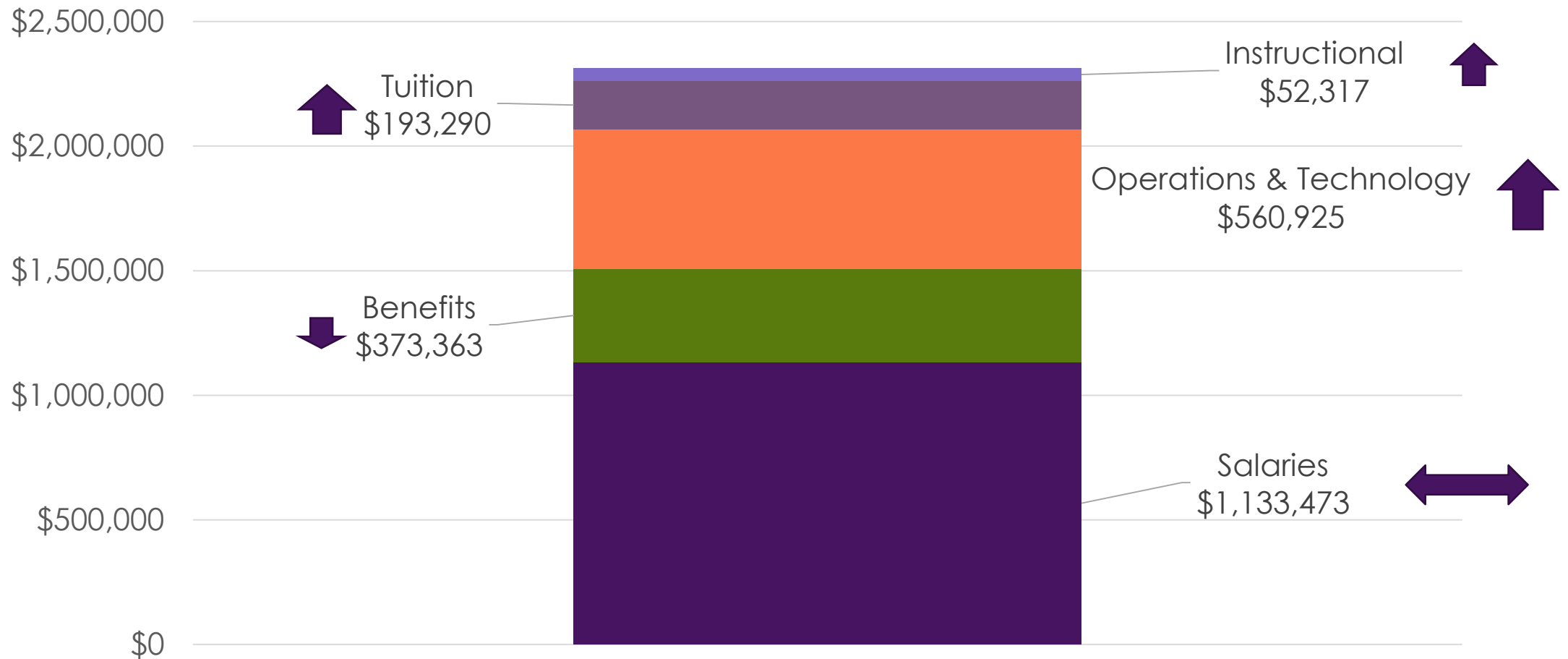
OUTSIDE TUITION & TRANSPORTATION

	2022-2023 Budget	2022-2023 Projected	2023-2024 Superintendent's Budget
Anticipated High Cost Placements			
LEA Placed	5	5	4
Agency Placement	0	2	2
Unassigned Placement	1	0	1
Total Anticipated Tuition Cost	\$896,557	\$1,220,750	\$1,183,000
VOAG Placement (SE portion only)	\$26,500	\$6,950	\$9,000
Magnet Schools Special Education Costs	\$78,000	\$80,000	\$94,000
Unanticipated DCF & Court Placement	\$25,000	\$0	\$0
Total Tuition Cost	\$1,026,057	\$1,307,700	\$1,286,000
Excess Cost			
Fully Funded Grant	\$867,419	-\$1,003,419	-\$930,992
Unfunded Liability (30%)	\$260,226	-\$301,026	-\$279,298
Total Anticipated Excess Cost (70%)	\$607,193	-\$702,393	-\$651,694
Outside Tuition Account	\$418,864	\$605,307	\$634,306
Transportation	\$202,317	\$178,637	\$106,250
Total Cost	\$621,181	\$783,944	\$740,556

MAJOR DRIVERS



MAJOR DRIVERS - COMPARISON TO FY23



2023-2024 SUPERINTENDENT'S PROPOSED BUDGET

\$45,319,597

\$2,313,368

5.38%

SETTING UP SATURDAY

EXAMINING NON-CLASSROOM STAFFING

Saturday Presentations

Paraeducator Staffing

Melissa Haberern & Sara Spak

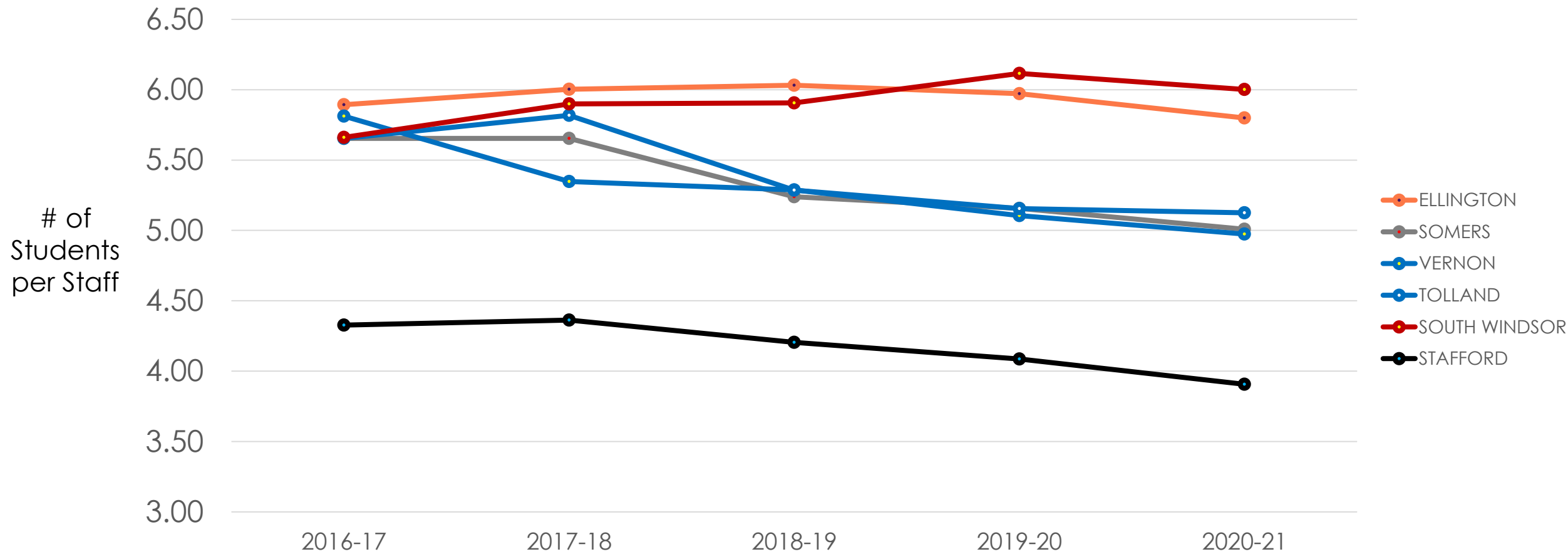
Examining EHS Programming

John Guidry

Restructuring for a New Supports

Oliver Barton & Michael Verderame

STUDENT : STAFF RATIO



Source: EdSight

IF ELLINGTON HAD THE SAME STAFFING
RATIO AS TOLLAND, IT WOULD HAVE
_____ ADDITIONAL STAFF MEMBERS.

55.27

TO MEET OTHER DISTRICT'S RATIO

	5 Year Avg.*	# of Additional Staff (5 Year Average for 21-22 student pop)
Ellington	5.89	-
South Windsor	5.98	-7.11
Tolland	5.23	55.27
Somers	5.21	58.50
Vernon	5.14	64.82
Stafford	4.19	188.95

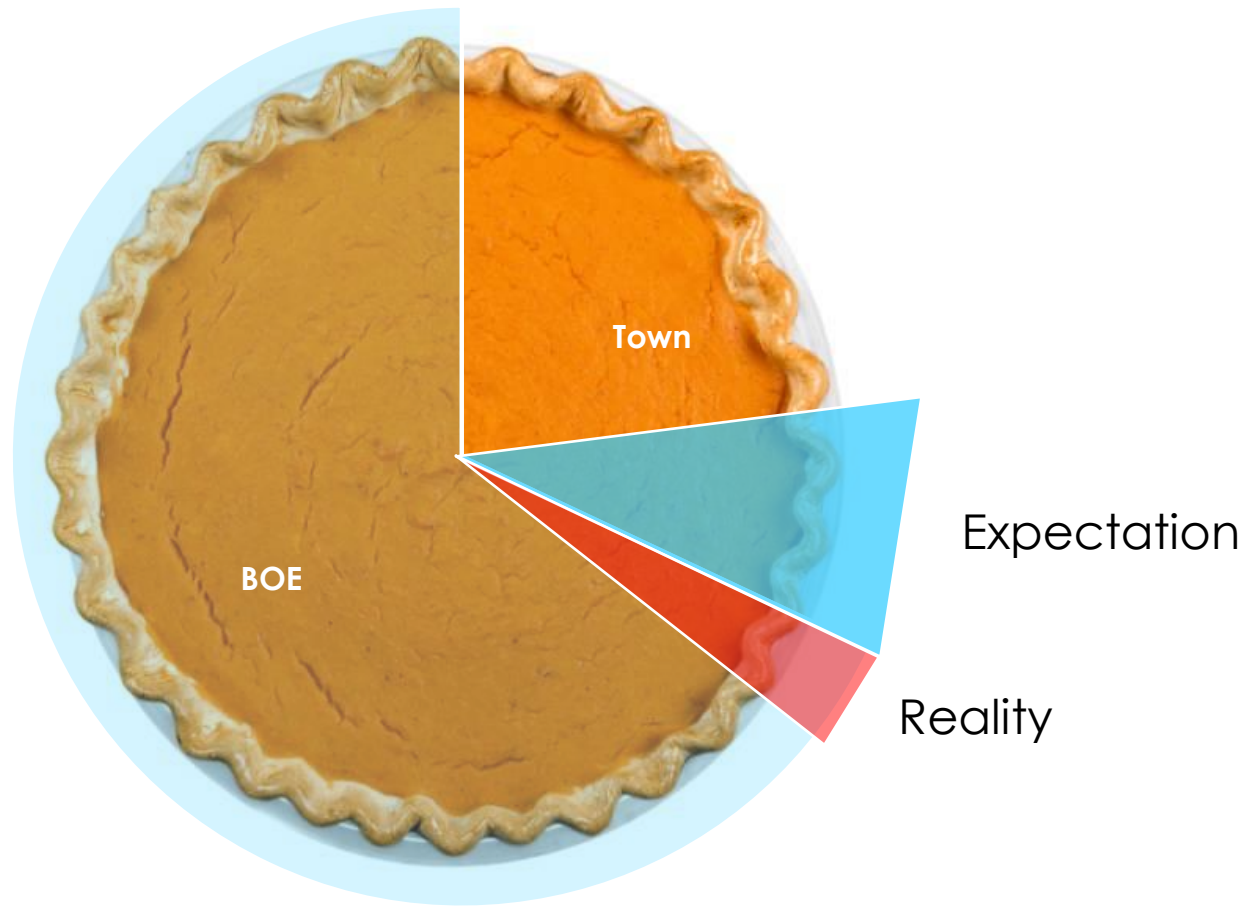
*5-Year Average Number of Students Per Staff Member FY 2018-2022

Source: EdSight

SHARING THE PIE



SHARING THE PIE



BOE CHANGE IN % OF OVERALL TOWN BUDGET FY14-FY22

Negative 1.7%

BEING A GOOD PARTNER

Fiscal Year	BOE Operating % of Total Budget*	BOE Op., CIP, Debt % of Total Budget*
2013-2014	65.6%	69.0%
2014-2015	66.1%	68.7%
2015-2016	64.0%	68.6%
2016-2017	65.2%	69.1%
2017-2018	62.4%	69.9%
2018-2019	65.6%	68.8%
2019-2020	64.4%	67.4%
2020-2021	Data not available	
2021-2022	65.5%	68.2%

*Figures come from Budget Hearing Packets on Town website



SUPERINTENDENT'S PROPOSED BUDGET 2023-2024

Dr. Scott V. Nicol, Superintendent

January 21, 2023

SCHEDULE

Breakfast (8:30am)

Intro & Recap (9:00am)

Three presentations

Paraeducator Staffing

Melissa Haberern & Sara Spak

Examining EHS Programming

John Guidry

Restructuring for a New Supports

Oliver Barton & Michael Verderame

Notable Accounts (10:45am)

Question and Answer (11:15am)

Lunch (12:00pm)

FUTURE MEETINGS

January 24, 2023	5:00 PM	Finance Committee Meeting
January 25, 2023	6:00 PM	Regular BOE Meeting
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RECAP

- Low per pupil, thin staffing model, strong ROI
- Thinner tight rope, accounts held lower for past budgets
- Operations & Technology, Tuition, and Instructional currently outpacing other categories
- Higher budget increase than usual: turns the lights on
- No recommendation to cut programming, additional Social Worker/School Psychologist through restructure

2023-2024 SUPERINTENDENT'S PROPOSED BUDGET

\$45,319,597

\$2,313,368

5.38%

BALANCES RETURNED TO TOWN

Year	Budget	Expenditures	Balance	% Balance
2015-2016	\$35,090,900	\$35,040,242	\$50,658	0.14%
2016-2017	\$36,099,749	\$35,909,024	\$190,725	0.53%
2017-2018	\$36,871,969	\$36,596,260	\$275,709	0.75%
2018-2019	\$38,301,361	\$38,287,301	\$14,060	0.04%
2019-2020	\$39,576,214	\$38,443,744	\$1,132,470	2.86%
2020-2021	\$40,616,036	\$40,123,935	\$492,101	1.21%
2021-2022	\$41,588,751	\$41,553,096	\$35,655	0.09%
			\$2,191,378	0.82%
		w/o COVID years	\$566,807	0.30%

MEASURED DECISION MAKING

- January 21st – Budget Workshop
- Feb 15th – BOE and Town Department Submission
- **Governor's Budget**
- **Town's Grand List**
- **Town's General Fund Projection**
- March 8th – BOE Presents to BOF
- **Better info on custodial supplies, utilities, health insurance**
- **Town Department Requests**
- April 11th – Public Hearing
- April 13th & 19th – BOF Deliberations

FOR CONTEXT

(\$170,000) – 4.98%

(\$600,000) – 3.98%

(\$1,030,000) – 2.98%

FOR YOUR CONSIDERATION

Do your due diligence, ask tough questions

Weigh difficult decisions, but understand short & long term implications

Some decisions may wait for more info

PARAEDUCATOR STAFFING

Melissa Haberern & Sara Spak

EHS PROGRAMMING

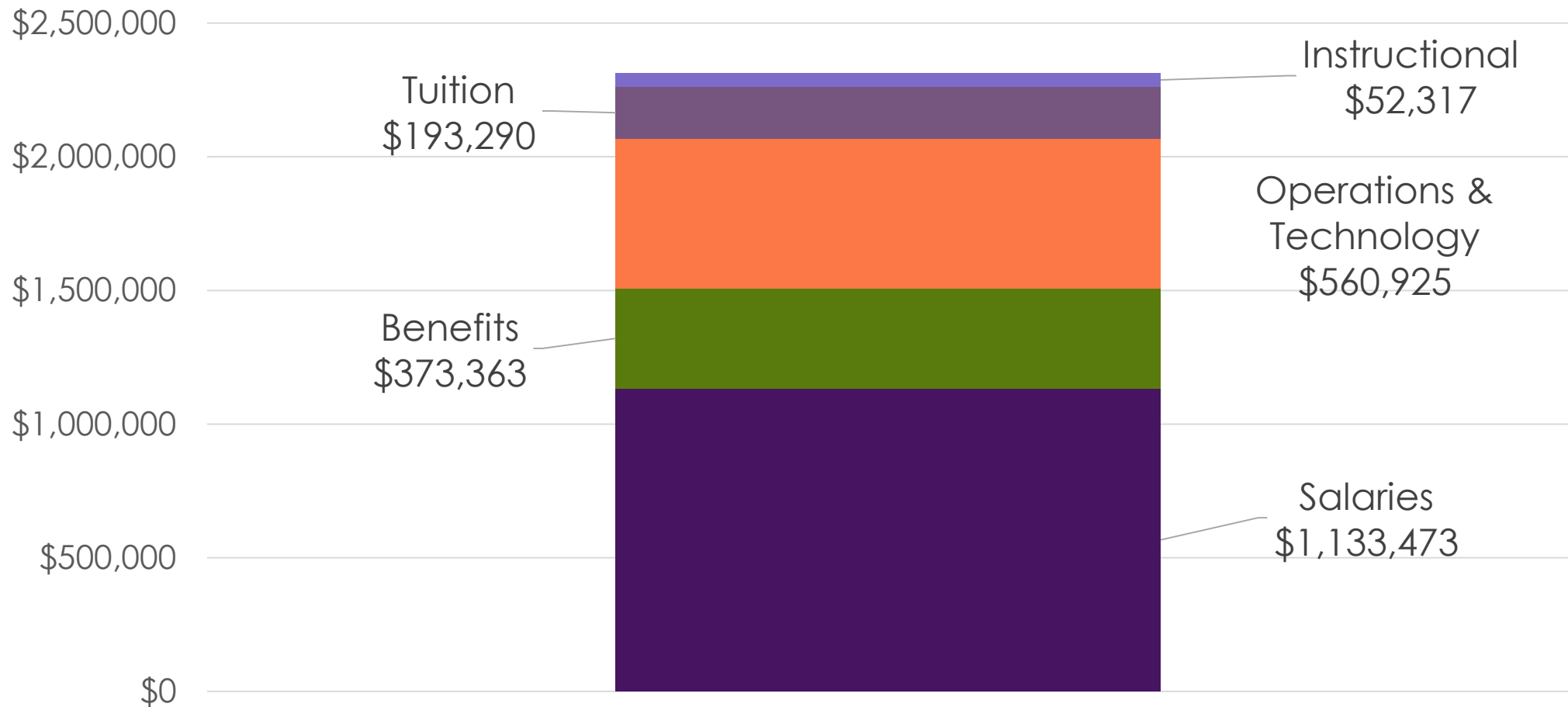
John Guidry

RESTRUCTURING TO ADD SUPPORT

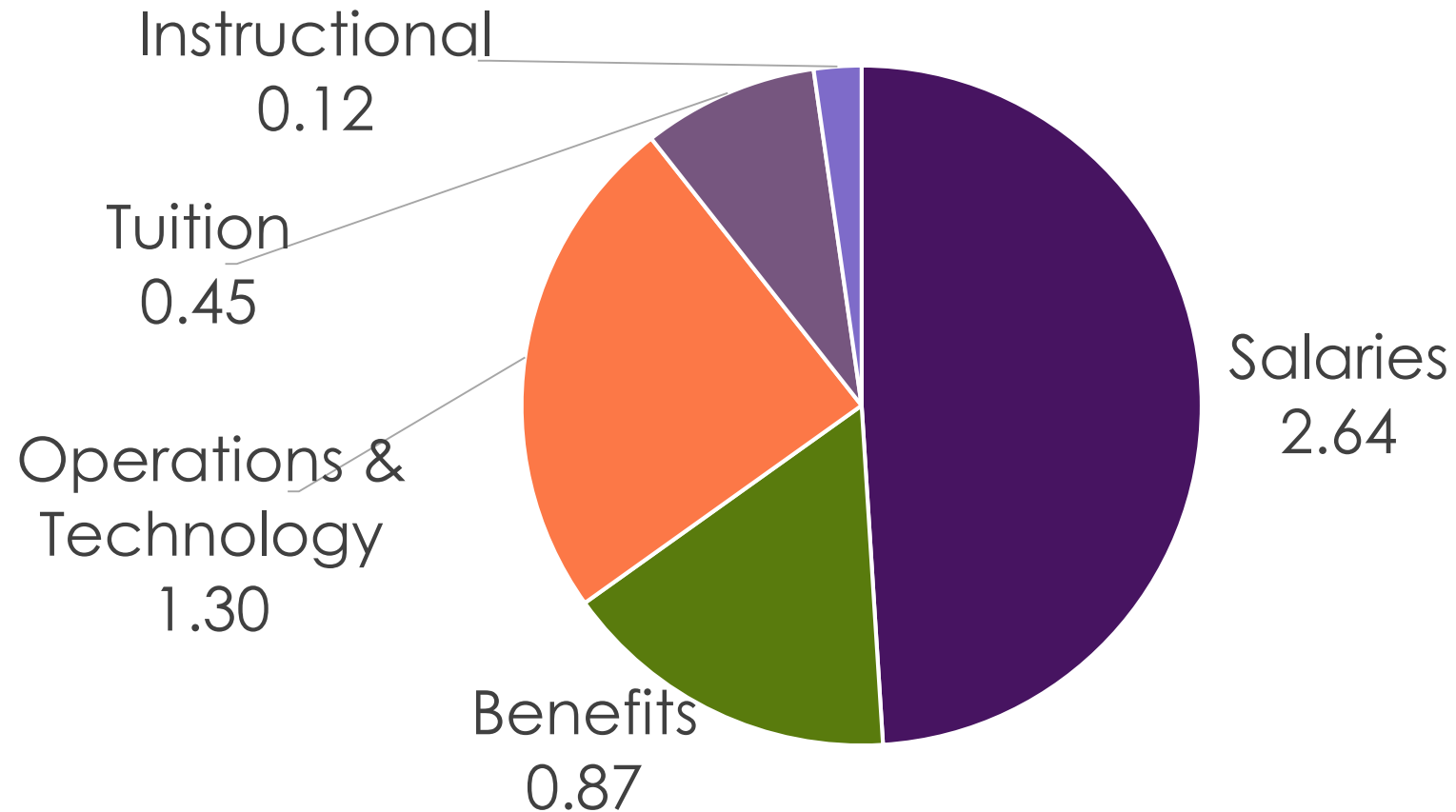
Oliver Barton & Michael Verderame

NOTABLE ACCOUNTS

MAJOR DRIVERS



BUDGET IMPACT BY CATEGORY



SALARIES & BENEFITS

	20-21	21-22	22-23	23-24
Salaries	\$26,226,691	\$26,982,065	\$28,133,277	\$29,266,750
Benefits	\$6,960,134	\$7,062,908	\$7,500,963	\$7,874,326
Total	\$33,186,825	\$34,044,973	\$35,634,240	\$37,141,076
Difference		\$858,148	\$1,589,267	\$1,506,836
% Difference		2.59%	4.67%	4.23%

Total Budget
Increase:
\$1,417,478

Total Budget
Increase:
\$2,313,368

SALARIES BY CATEGORY

	Difference	% Impact
Certified	\$712,752	1.66%
Non-Certified	\$183,126	0.43%
Substitutes	\$12,450	0.03%
Other Compensation	\$225,145	0.52%
Total	\$1,133,473	2.64%

SALARY

- Increase offset by retirements
 - Currently 3 known retirements
 - Est. 2 more in current budget
- Includes budget for all settled contracts and Adjustment for open contracts

BENEFITS

	Difference	% Impact
Health, Dental & Life	\$197,700	0.46%
Retirement	\$178,166	0.41%
Unemployment	(\$2,500)	(0.01%)
Total	\$373,366	0.87%

GROUP INSURANCE

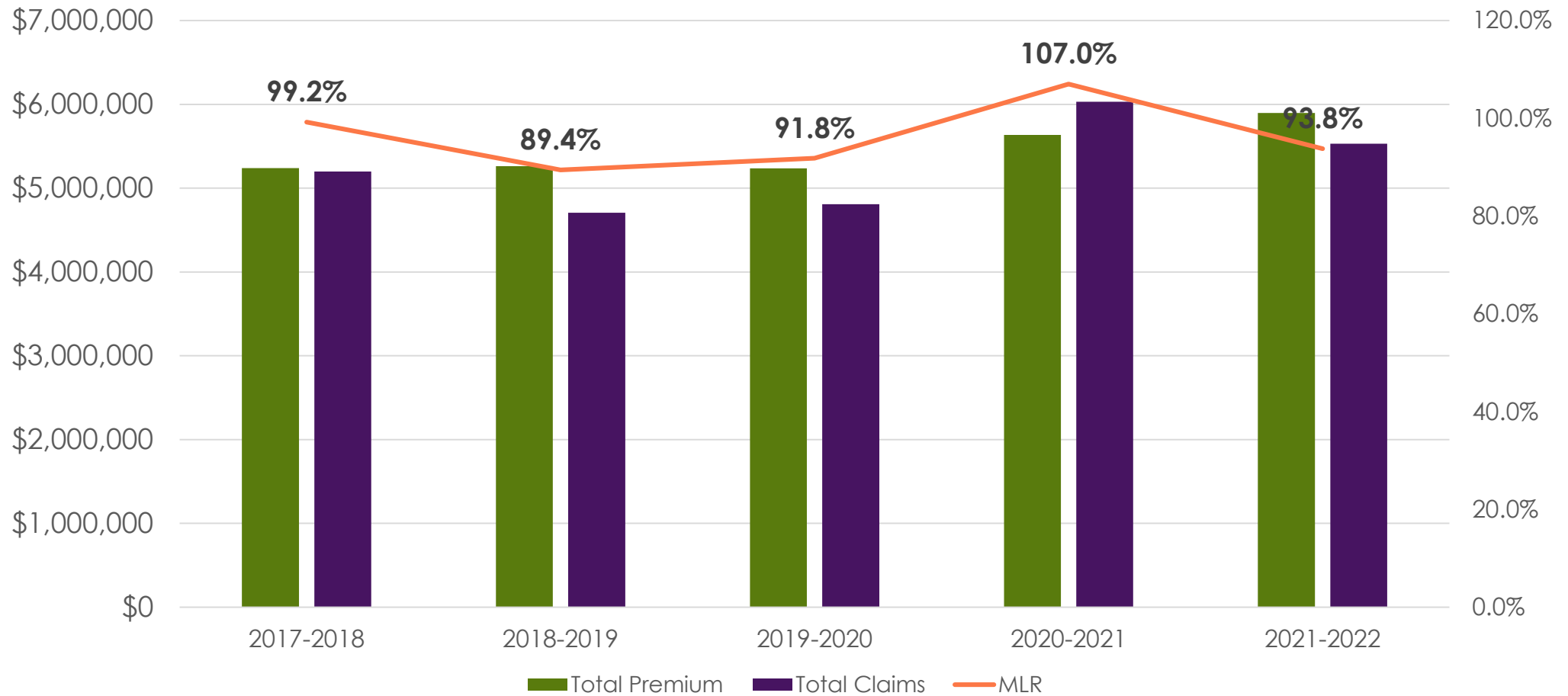
	20-21	21-22	22-23	23-24
Health Insurance*	\$4,757,641	\$4,887,399	\$5,252,996	\$5,458,196
Dental Insurance	\$326,984	\$300,000	\$300,000	\$291,500
Life Insurance	\$40,000	\$40,000	\$45,000	\$46,000
Total	\$5,124,625	\$5,227,399	\$5,597,996	\$5,795,696
Difference	\$200,769	\$102,774	\$370,597	\$197,700
% Difference	4.08%	2.01%	7.09%	3.53%

*Total account offset by funding from grants & revenue

HEALTH INSURANCE

- Trend is currently in the right direction
- Continue to be disciplined until reserve is built
- Don't have an analysis from Anthem
- Waiting on the ACES Collaborative to bid

TRENDS IN CLAIMS



CLAIMS EXPERIENCE

	Total Claims & Fixed Costs	Total Premium	MLR
2017-2018	\$5,199,161	\$5,239,376	99.2%
2018-2019	\$4,706,197	\$5,262,477	89.4%
2019-2020	\$4,807,880	\$5,236,577	91.8%
2020-2021	\$6,029,604	\$5,635,320	107.0%
2021-2022	\$5,530,755	\$5,897,881	93.8%
Current 12	\$5,866,860	\$6,081,227	96.5%

MEDICAL SELF-INSURANCE FUND

Category	Budget
2022-2023 Opening Fund Balance	\$744,379
2022-2023 Estimated Revenues	\$6,294,172
2022-2023 Estimated Claims & Administrative Costs	(\$6,039,099)
2022-2023 Est. Ending Balance	\$999,452
2023-2024 Estimated Revenues	\$6,634,232
2023-2024 Estimated Claims & Administrative Costs	(\$6,502,552)
2023-2024 Est. Ending Balance	\$1,131,132

RECOMMENDED RESERVES

IBNR	24.17%	\$487,691
Medical Claim Reserve		\$1,083,759
Recommended		\$1,571,450
2023-2024 Est. Ending Balance		\$1,131,132
IBNR		\$297,224
Estimate Total Reserves		\$1,428,356
Estimated Reserve Shortfall		(\$143,094)

SOCIAL SECURITY & RETIREMENT

	20-21	21-22	22-23	23-24
Retirement	\$843,481	\$843,481	\$873,408	\$1,020,059
FICA	\$722,439	\$722,439	\$764,635	\$796,150
Total	\$1,565,920	\$1,565,920	\$1,638,043	\$1,816,209
Difference	\$127,840	\$0	\$72,123	\$178,166
% Difference	8.89%	0%	4.61%	10.88%

CMERS

- Increasing Rates over time

	2021 Valuation Rates for FYE 2023	Expected Rates for FYE 2024*	Expected Rates for FYE 2025
General Employees with Social Security	17.55%	18.02%	17.57%

- Exclusion for *Professional* Employees

LAP & WORKERS COMPENSATION

	20-21	21-22	22-23	23-24
LAP	\$143,459	\$147,456	\$144,017	\$155,516
W/C	\$229,589	\$229,198	\$234,924	\$234,921
Athletic	\$15,000	\$12,500	\$11,000	\$9,250
USI	\$10,000	\$10,000	\$10,000	\$12,500
Total	\$398,048	\$399,154	\$399,941	\$412,188
Difference	(\$15,000)	\$1,106	\$787	\$12,247
% Difference	-3.63%	0.28%	0.20%	3.06%

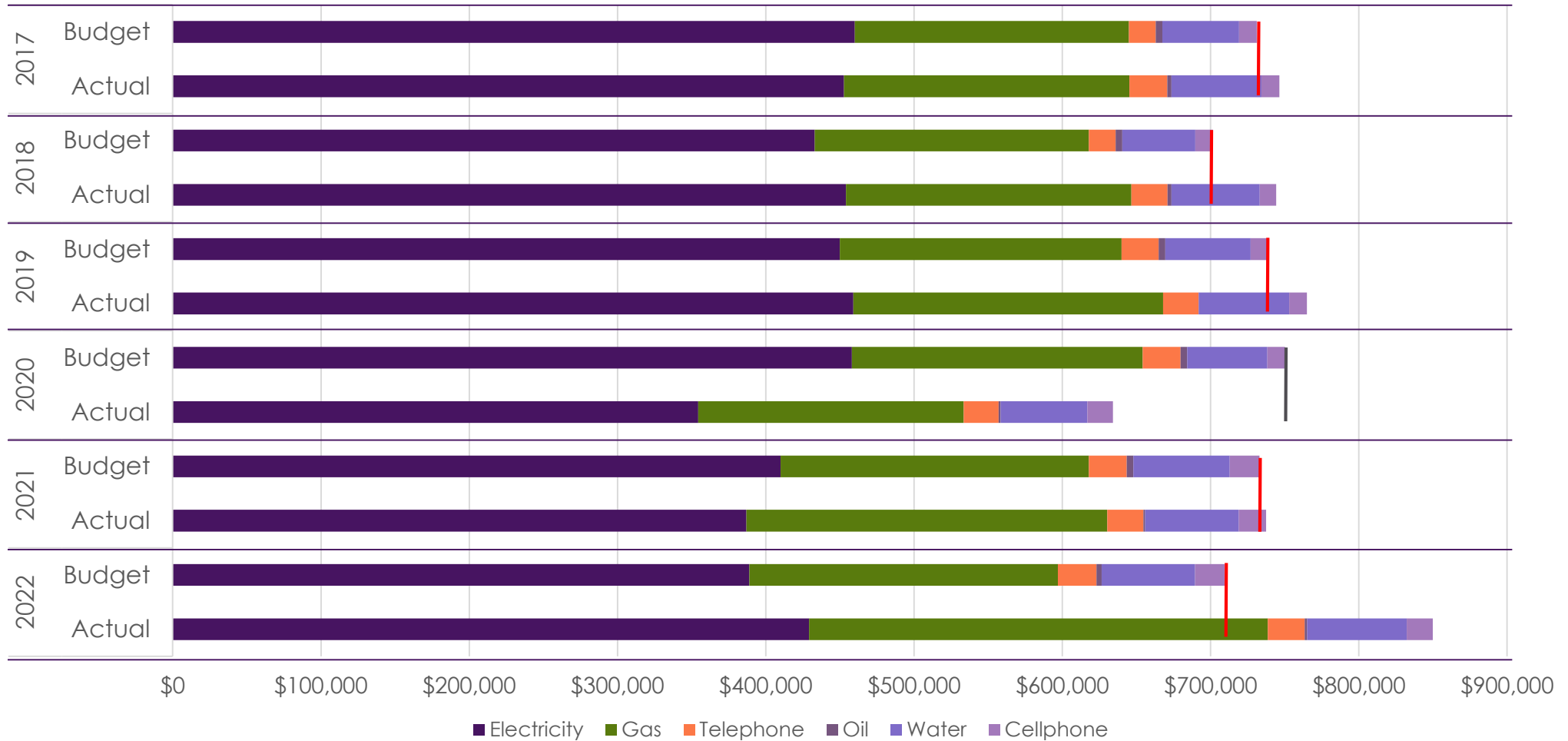
LAP AND WORKERS' COMPENSATION

- Shared risk pool with the Town
- LAP increase for FY23 came in above budget
- WC came in below budget

Utilities

	2021 Budget	2021 Actual	2022 Budget	2022 Actual	2023 Budget	2024 Budget
Electricity	\$410,000	\$386,957	\$389,000	\$429,250	\$401,000	\$447,500
Natural Gas	\$208,000	\$243,343	\$208,000	\$309,404	\$233,000	\$327,500
Telephone	\$25,500	\$24,431	\$26,000	\$24,816	\$26,000	\$25,950
Oil	\$4,500	\$1,228	\$3,500	\$1,695	\$3,500	\$2,350
Water	\$65,000	\$63,104	\$63,000	\$67,220	\$63,000	\$72,575
Cellphone	\$20,000	\$18,338	\$20,000	\$17,441	\$20,000	\$20,100
Total	\$733,000	\$737,401	\$709,500	\$849,827	\$746,500	\$895,975
Difference	(\$17,250)		(\$23,500)		\$37,000	\$149,475
% Difference	-2.23%		-3.13%		5.05%	20.02%

UTILITY BUDGET VS ACTUAL OVER TIME



Avg. Diff
 (\$45.7K)
 (6.41%)
 Excluding 2020

UTILITIES

- **Electricity – up \$58.1K (14.49%)**
 - Supply costs increased from \$0.07789/kWh to \$0.1187/kWh
 - First time - Plan to joint purchase with Town for November 2023
 - Planning on average \$0.12/kWh for 23-24 budget
- **Natural gas – up \$94.5K (40.56%)**
 - Broader forces (regional and international) pushing up cost of Natural Gas
 - HVAC projects may help reduce expenditure, but approval and schedule are not determined

TRANSPORTATION

	20-21	21-22	22-23	23-24
Regular Ed.	\$1,835,600	\$1,910,744	\$1,957,563	\$2,006,448
Gasoline	\$151,500	\$151,500	\$151,500	\$201,250
Stud. Services	\$354,471	\$389,314	\$382,786	\$410,422
Repairs	\$26,000	\$26,000	\$26,000	\$26,000
Tech & VoAg	\$83,077	\$87,272	\$117,616	\$120,850
Total	\$2,450,648	\$2,564,830	\$2,635,465	\$2,764,970
Difference	\$467	\$114,182	\$70,635	\$129,505
% Difference	0.02%	4.66%	2.75%	4.91%

TRANSPORTATION

- Budget of 2.5% contractual increase
- Increased monthly overages
- Increase in individualized student transportation (in and out of district)

OUTSIDE TUITION – REGULAR ED

	20-21	21-22	22-23	23-24
VoAg Tuition	\$42,400	\$35,000	\$109,000	\$140,000*
Adult Ed.	\$65,833	\$65,069	\$65,069	\$64,417
Magnet	\$225,000	\$225,000	\$225,000	\$225,000*
Total	\$333,233	\$325,069	\$399,069	\$429,417
Difference	\$16,023	(\$8,164)	\$74,000	\$30,348
% Difference	5.05%	-2.45%	22.76%	7.60%

*Accounts could be offset if HB 5003 is enacted within the budget

OUTSIDE TUITION - REGULAR ED

- Increase in VOAG Tuition account to offset increases

	2020-2021	2021-2022	2022-2023	2023-2024
9th	2	10	5	3
10th	2	4	10	5
11th	0	0	2	10
12th	1	2	1	2
Total	5	16	18	20

SPECIAL SERVICES OUTSIDE TUITION

	20-21	21-22	22-23	23-24
Private*	\$308,155	\$297,320	\$73,545	\$151,704
Public*	\$363,065	\$344,335	\$325,319	\$431,602
DCF Placement	\$50,000	\$50,000	\$20,000	\$0
Magnet	\$55,000	\$80,000	\$78,000	\$94,000
VOAG	\$20,000	\$20,000	\$20,000	\$9,000
Outside Tuition	\$796,220	\$791,655	\$516,864	\$686,306
Difference	\$66,499	(\$4,565)	(\$274,791)	\$169,442
% Difference	9.11%	(0.57%)	(34.71%)	32.78%

*Net of Excess Cost Grant

TUITION & TRANSPORTATION

- Low compared to surrounding districts
 - Suffield: \$1.06M 22-23
 - Tolland: \$1.35M 23-24
 - Ellington: \$580K 23-24
- Budget does not represent total expenditures
 - Offset by Excess Cost grant

STUDENT A

Tuition	\$199,000
Transportation	\$12,250
Total Cost	\$211,250

LEA Share (4.5x Per Pupil)	\$73,908
Excess Cost Fully Funded	(\$137,342)
Excess Cost Unfunded (30%)	\$41,203
Net Cost to District	\$115,111

OUTSIDE TUITION & TRANSPORTATION

	2022-2023 Budget	2022-2023 Projected	2023-2024 Superintendent's Budget
Anticipated High Cost Placements			
LEA Placed	5	5	4
Agency Placement	0	2	2
Unassigned Placement	1	0	1
Total Anticipated Tuition Cost	\$896,557	\$1,220,750	\$1,183,000
VOAG Placement (SE portion only)	\$26,500	\$6,950	\$9,000
Magnet Schools Special Education Costs	\$78,000	\$80,000	\$94,000
Unanticipated DCF & Court Placement	\$25,000	\$0	\$0
Total Tuition Cost	\$1,026,057	\$1,307,700	\$1,286,000
Excess Cost			
Fully Funded Grant	\$867,419	-\$1,003,419	-\$930,992
Unfunded Liability (30%)	\$260,226	-\$301,026	-\$279,298
Total Anticipated Excess Cost (70%)	\$607,193	-\$702,393	-\$651,694
Outside Tuition Account	\$418,864	\$605,307	\$634,306
Transportation	\$202,317	\$178,637	\$106,250
Total Cost	\$621,181	\$783,944	\$740,556

STRONG PROGRAMS = LOWER COSTS

- Program for Alternative Learning Programs (PAL)
- Multiple Ability Programs (MAP)
- Applied Behavior Analysis Programs (ABA)
- Students Achieving For Excellence (SAFE)
- Ellington Continuing Life Independence Post Secondary Education (ECLIPSE)
- The Ellington Public School Expulsion Program (TEPSEP)
- Behavioral, Academic, Social & Emotional Support Program (BASES)
- Individualized Programming for School Avoidance Students

OTHER ACCOUNTS OF NOTE

- SRO – \$20K to keep up with current usage
- Graduation – \$9.2K to align with current ceremony
- Academic Enhancement - \$55K to address one-time budget cut in FY23
- Maintenance – shifts to school based accounts, away from systemwide categories

BROKEN WINDOWS



How do we fix this door?

- Does it qualify for insurance?
 - No, its beneath the deductible
- What's it going to cost?
 - Labor is higher in the trades
 - Material is higher (8%+ per year)
- Bottom line: a \$350-400 repair 3-4 years ago is a \$500-\$600 repair now
- Multiply this across budget lines that have been held flat or lower for several years
- Do we have to fix this door?

QUESTIONS



