

NEW MILFORD PUBLIC SCHOOLS

A collaborative partnership of students, educators, family, and community

2018-2019 Superintendent's Proposed Budget

Presented by

Joshua Smith, Superintendent

January 16, 2018

To the New Milford

BOARD OF EDUCATION

David A. Lawson, Chairperson

Tammy McInerney, Vice Chairperson

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The seal of New Milford Public Schools is a circular emblem. It features a central illustration of a school building with a steeple, flanked by two smaller buildings. The text "NEW MILFORD" is arched across the top, and "PUBLIC SCHOOLS" is arched across the bottom. Two small dots separate the top and bottom text on the left and right sides.

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

New Milford Public Schools' Mission

The mission of the New Milford Public Schools, a collaborative partnership of students, educators, family and community, is to prepare each and every student to compete and excel in an ever-changing world, embrace challenges with vigor, respect and appreciate the worth of every human being, and contribute to society by providing effective instruction and dynamic curriculum, offering a wide range of valuable experiences, and inspiring students to pursue their dreams and aspirations.

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 New Milford Public Schools' legacy of quality education for students built by faculty, staff, administration, parents, and the community.

BUDGET PRESENTATION OUTLINE

Budget Development Goal:

**Provide a fiscally responsible budget that
improves the quality of our programs**

- District Quality Results and Return on Investments
- Budget Challenges
- Budget Framework: District priorities for 2018-2019 and budget assumptions
- Budget Totals for 2018-2019
- Summary and Next Steps
- Budget Timeline

Budget Priorities

- Provide the community with a school system that empowers students for whatever they decide to pursue when they leave us.
- Provide Educators with the resources necessary to deliver quality instruction.
- Deliver a clear, accurate and transparent budget to inform decisions and create confidence in the process.
 - Provide an easy to read, more transparent budget document: Added the companion guide, removed extra tabs and dividers, and broke out Adult Education as its own section under the DOI Budget.



Mission/ Vision

The mission of the New Milford Public Schools, a collaborative partnership of students, educators, family and community, is to prepare each and every student to compete and excel in an ever-changing world, embrace challenges with vigor, respect and appreciate the worth of every human being, and contribute to society by providing effective instruction and dynamic curriculum, offering a wide range of valuable experiences, and inspiring students to pursue their dreams and aspirations.

District Theories of Action

- IF we develop a commitment to student learning and achievement over a compliance to directives, THEN students will learn in a more flexible and adaptive environment.
- IF we develop a student centered culture of achievement, belonging and trust THEN all students will be better prepared for lifelong success.
- IF we develop administrative instructional capacity and teacher leadership opportunities, THEN a culture of professional learners will foster more collaborative efforts to support student learning.
- IF we create learning experiences that support student aspirations for life beyond school THEN students will graduate with the knowledge and skills to meet the demands of the 21st century.

Strategic Objectives

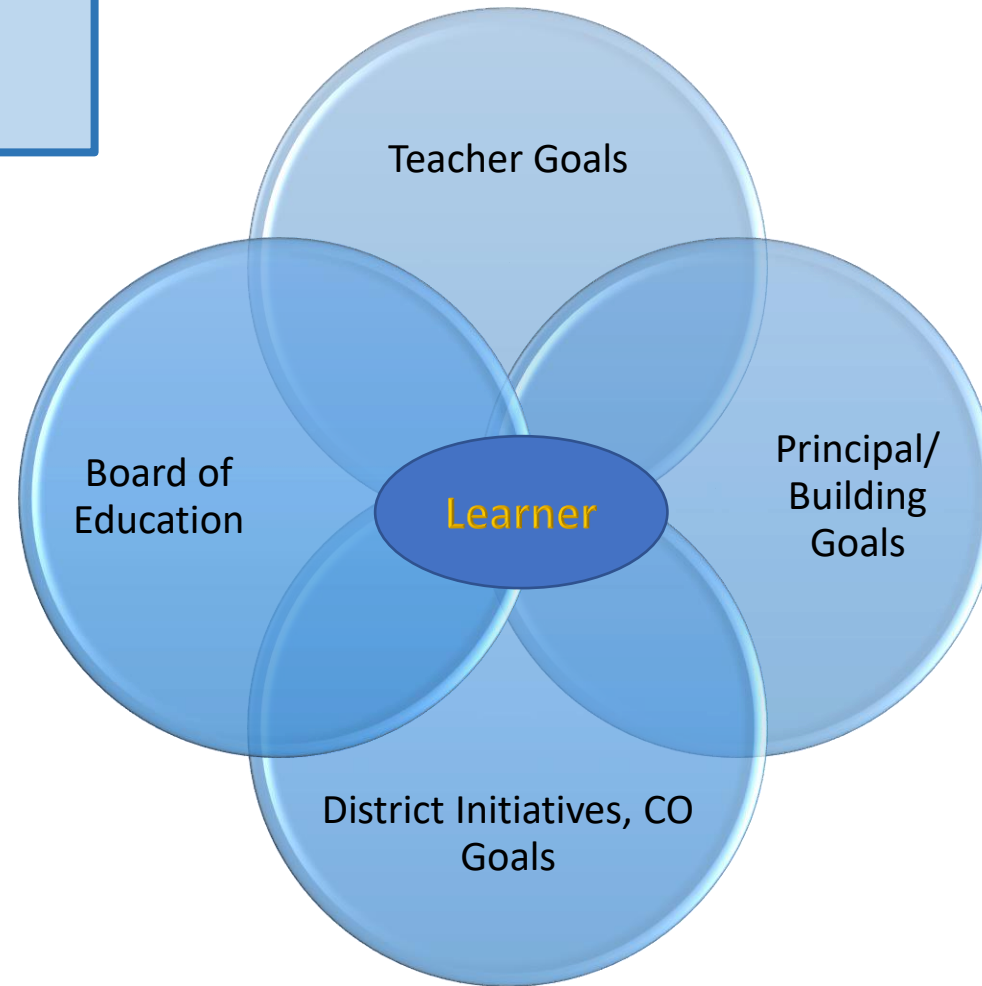
Build capacity of Teachers through curriculum writing and professional development.

Develop Administrators as instructional leaders and improve their connection to teaching and learning.

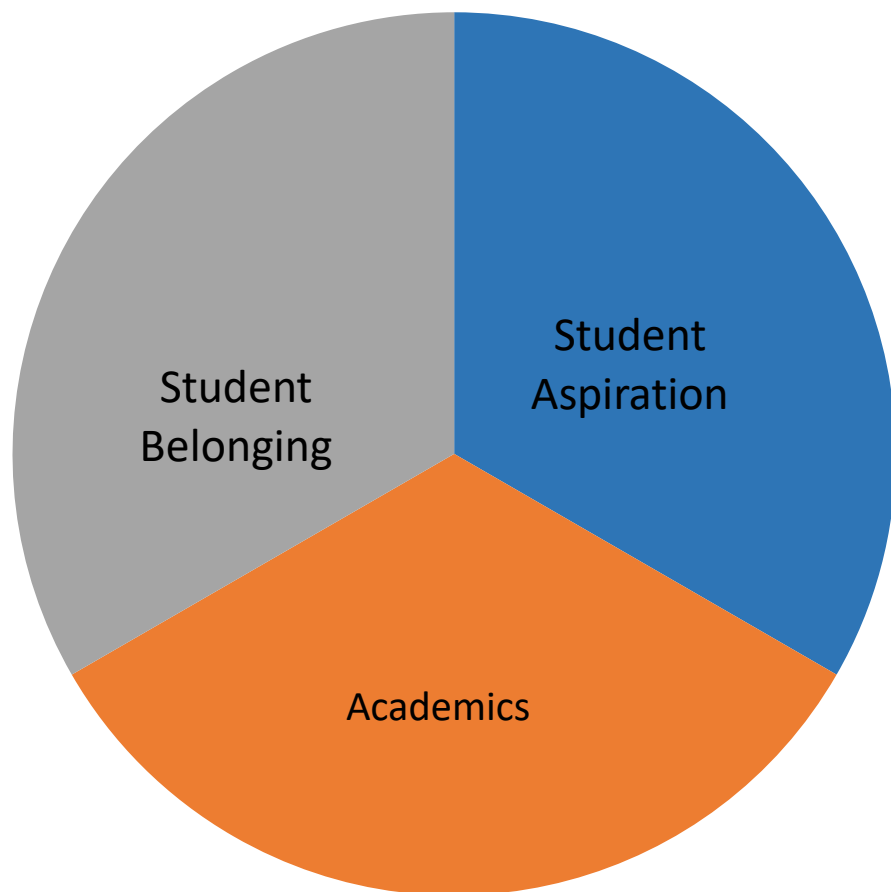
Develop, manage and maintain the technology, infrastructure, and resources needed to maintain a safe and effective learning environment.

Provide opportunities and instructional paths that allow students to pursue areas of interest and prepare them for options after high school.

Budget Cycle



District Theories of Action



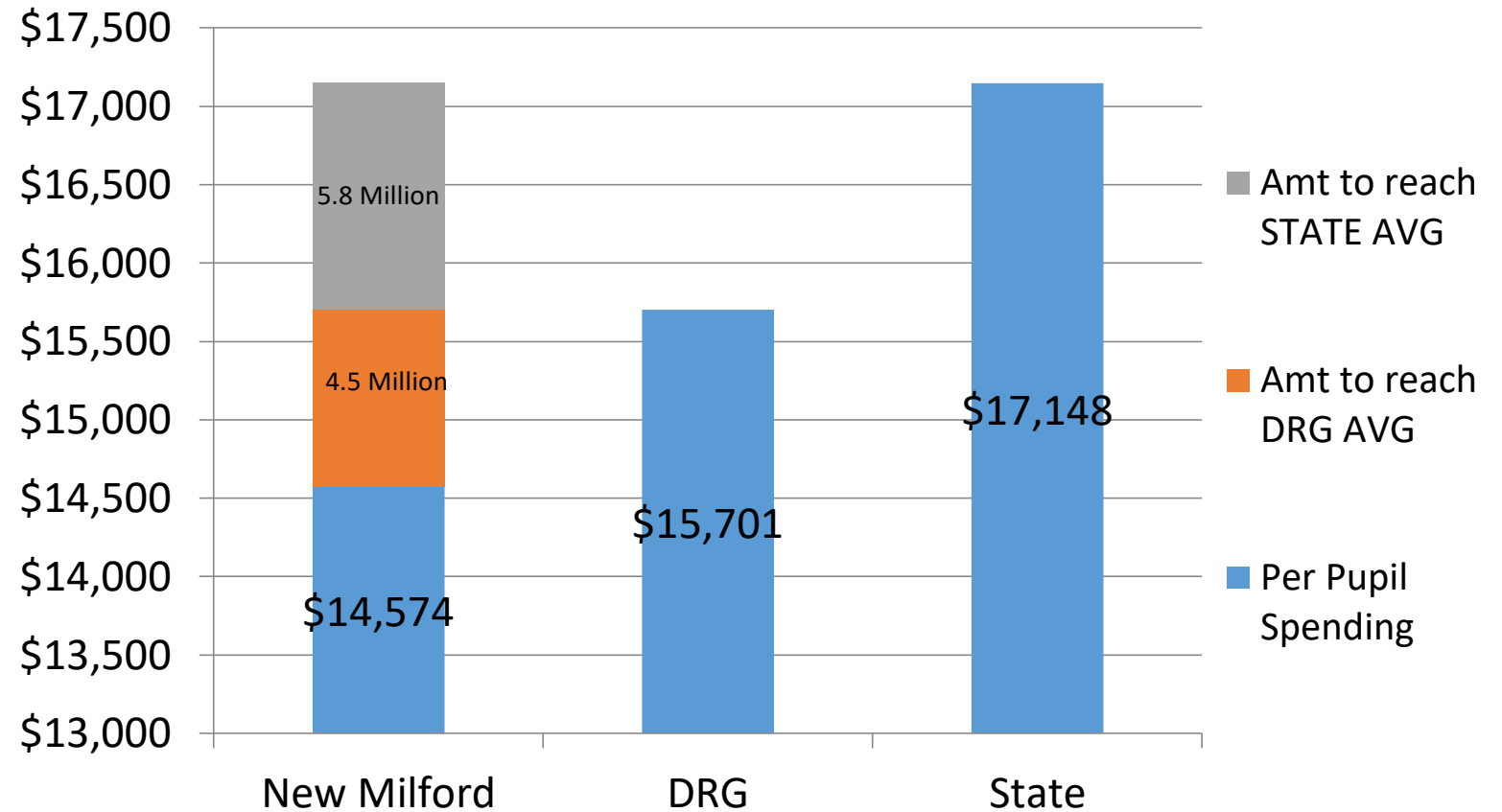
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DISTRICT QUALITY RESULTS

- 203% increase in AP enrollment over the past 7 years
- High percentage of students participate in athletics, performing arts, clubs, and activities
- Continued growth in mathematics achievement
- 93.4% Graduation Rate with four years of continued improvement
- Improved programs and curriculum including social emotional health
- SAT Performance continues to outperform State and DRG averages in both ELA and Math. Over the past two years Math scores have increased 11 points and ELA 40 points
- College Readiness Score continues to rise and close the gap within our DRG

ROI: Return on Investment

- New Milford's Per Pupil Spending in 2014-15 was \$14,574
- The DRG average was \$15,701.71
- The State Average that year was \$17,148.75
- With an Enrollment of 3997 students, the difference is \$1,127 for DRG and \$1,447 State
- Total budget impact = \$4,504,619 DRG and \$5,783,659 State



Reductions and cost efficiencies

- We have reduced 13 FTE over the past 3 years
- Spread out projects in our 5 Year Capital Plan over longer periods and deferred maintenance
- Renegotiated contracts and worked with vendors to find efficient pricing
- Invested in electrical efficiencies
- Continue to manage health care costs and mitigate market increases
- Function with leaner staffing models than our peers



What was left out of the budget?

- Most of the \$750,000 additional cuts to the BOE Budget that were made in June of 2017 were not restored.
- Second Library Media Specialist at NMHS (NEASC Recommendation since 2015)
- Additional Social Workers
- PK-5 Special Education Supervisor
- Alternative High School Program
- Replacement for Veritime system
- No Additional Staffing to support curriculum and instruction
- No increase to Capital budgets
- No reductions to the gifted program
- Maintain music program and staffing
- No reductions to Athletic Programs
- No Curriculum Mapping Software



Budget Challenges

- Accounting for 2017-18 budget relief
 - \$250,000 in medical cost relief helped reduce the tax burden for 17-18 but created a 0.4% increase to the 2018-19 budget
- Even as employees move to High Deductible Health Plans, insurance costs continue to rise. The increase constitutes 50.39% of the total budget increase and is rising at more than 13 times the rate of salary increases.
- Aggressively mitigating uncontrollable cost increases while accounting for increased risks
- Need to establish and fund repair and replacement cycles that do not depend on emergency accounts
 - Use of capital reserve to offset operating capital costs



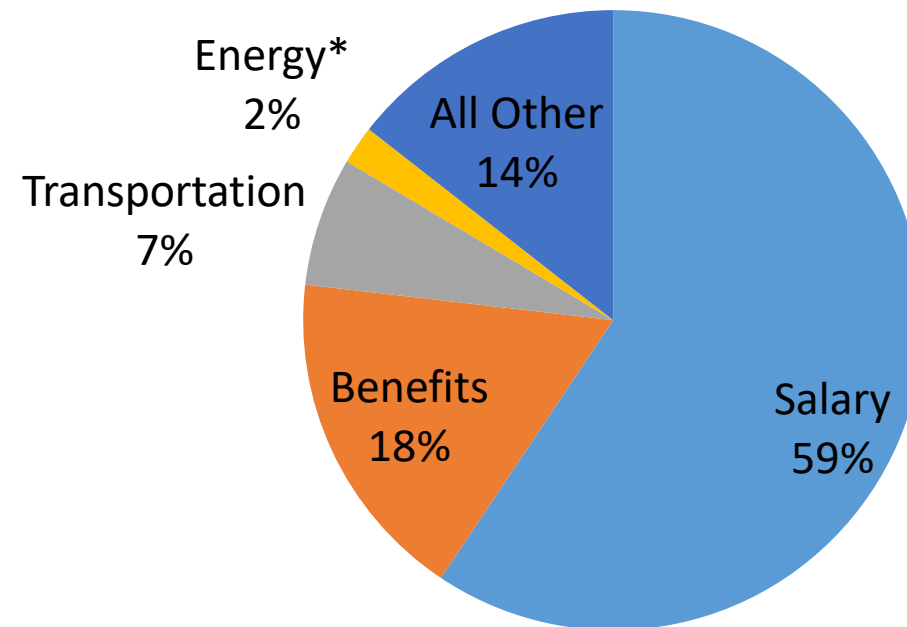
BUDGET FRAMEWORK: Recurring Assumptions

- Examine and implement cost efficiencies
- Review, revise, and assess curriculum and instruction
- 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

BUDGET SUMMARY: Percent of total budget of selected objects

18-19 Proposed Budget

■ Salary ■ Benefits ■ Transportation ■ Energy* ■ All Other

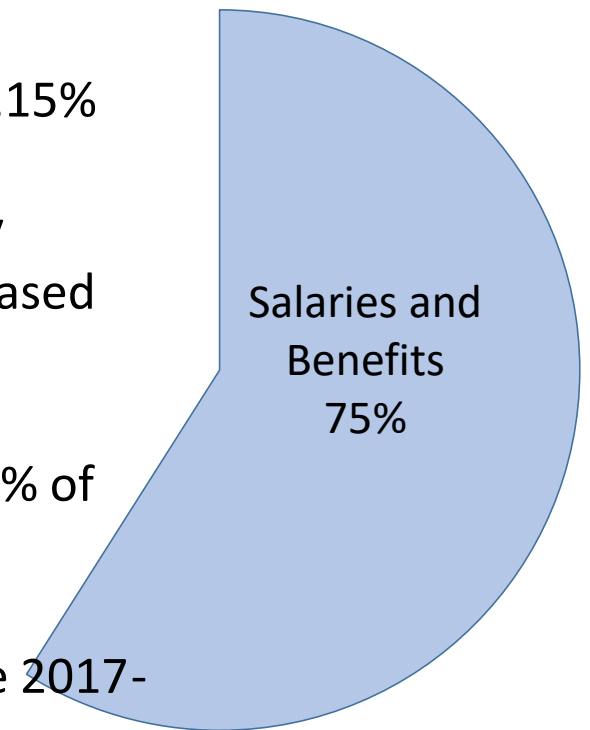


*Energy includes: Oil, Natural Gas, Electricity and Propane

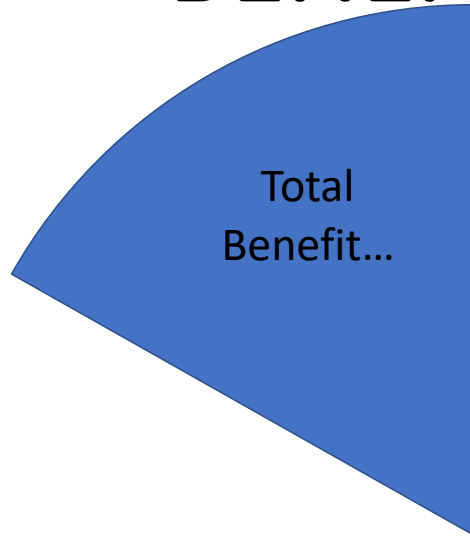
Collective Bargaining Contracts

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

- About 75% of our operational costs go to staff salaries and benefits.
- Due to efficiencies and reductions to staff, salary increases are rising by only 0.15%
- For the 2018-2019 Budget cycle, the increase to health care has been offset by negotiating a more balanced health care plan with employees playing an increased role. An increase of 10.34% is better than last year's increase of 15.62%.
- Health care costs are increasing approximately \$778,715. That is more than 50% of the entire budget increase.
- \$250,000 of the health care increase is to account for the relief provided in the 2017-18 budget from the Internal Service Fund (ISF).



BENEFITS



Health Insurance

- 10.34% increase
 - Rate increase determined by actuarial hired by Town
 - All BOE employees now participating on a HDHP with an HSA
 - Custodial and Maintenance employees are on health plan through their union we make a contribution towards

Disability

- 8.89% increase
 - Based on claims
 - Last years spike was 43.26%

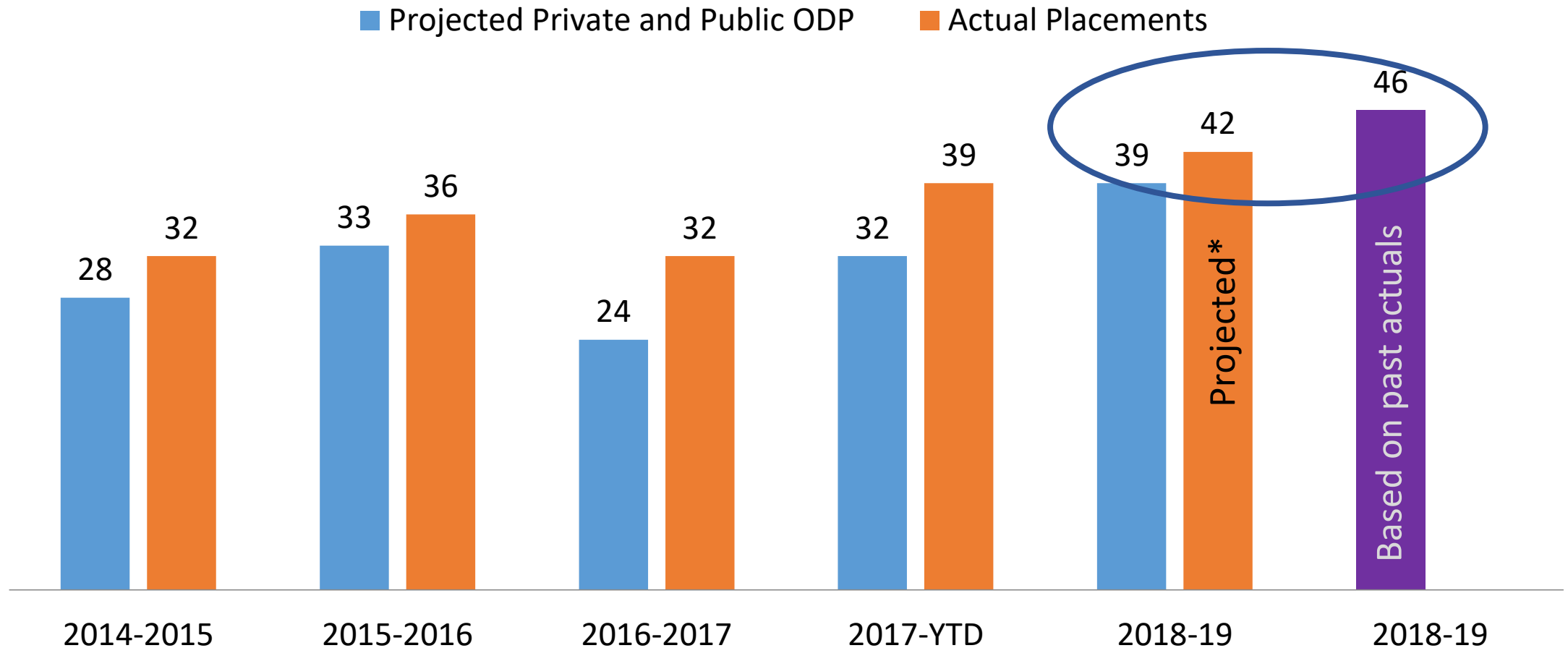
Other

- Life Insurance – Increasing at 5%
- Unemployment – reduced for the second year in a row as national unemployment level drops
- Pension – going down as per town numbers

Account for more than 1.22% of the total year to year increase

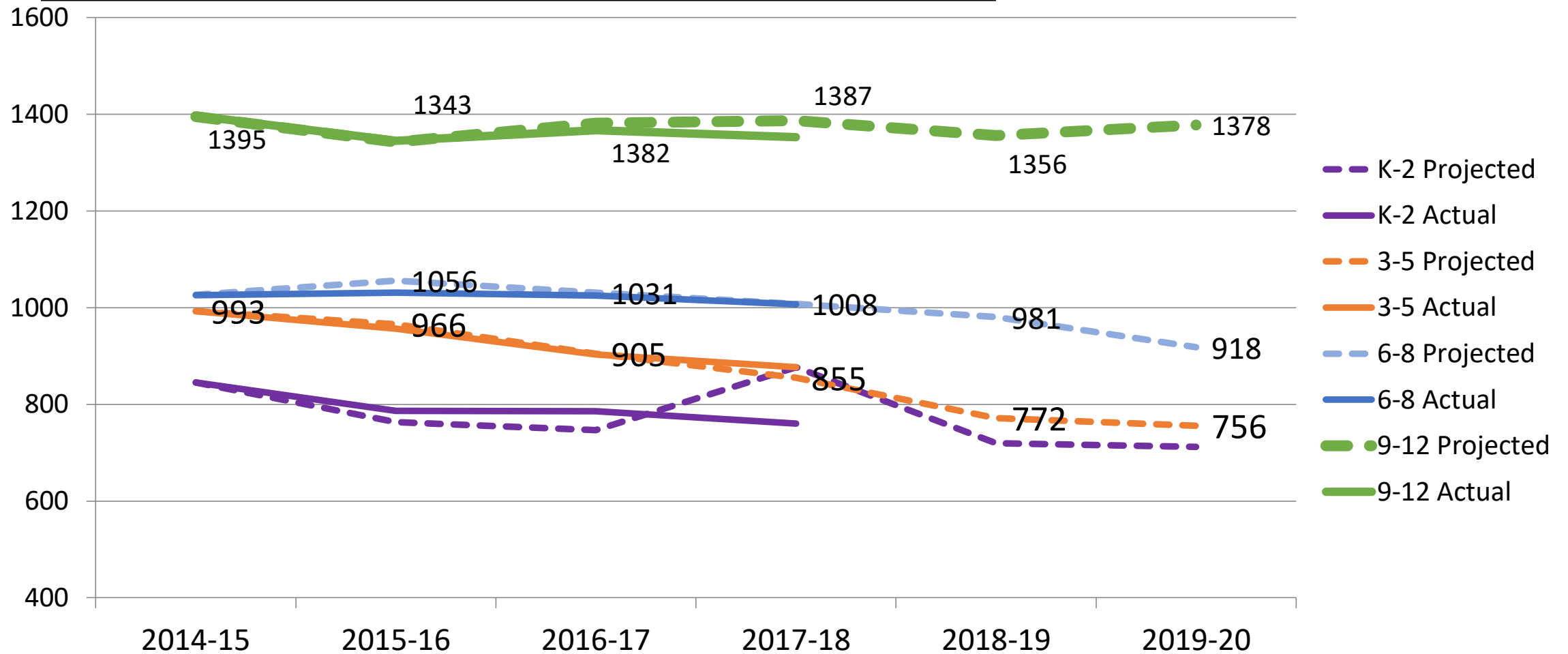
K-21 Special Education Out of District Placements (ODP)

Absorbing Risk of the Unknown



*Actual costs can vary greatly based on individual costs

Enrollment driven reductions:



SNIS Population is projected to decline by 149 from 2016-17 to 2018-19 and will be reduced by **11** teachers in the same time span.

K-5 Classrooms can be added as if projections do not match projections. In a middle school environment, classroom teachers are interconnected teams that are added or removed in groups of four.

Class Size

2017-2018 Actual					2018-2019 Projected				
Enrollment	# of Classes	Avg Class Size	Staff	Program	Enrollment	# of Classes	Avg Class Size	Staff	Change
				Hill and Plain					
47				Pre-K	52				
106	7	15.1	7	Kindergarten	139	7	19.9	7	0.0
140	7	20.0	7	Grade 1	106	6	17.7	6	-1.0
113	6	18.8	6	Grade 2	141	7	20.1	7	1.0
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406	20	18.0	20		438	20	19.2	20	0.0
				NORTHVILLE					
56				Pre-K	50				
126	8	15.8	8	Kindergarten	136	7	19.4	7	-1.0
135	7	19.3	7	Grade 1	126	7	18.0	7	0.0
140	7	20.0	7	Grade 2	135	6	22.5	6	-1.0
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457	22	18.3	22		447	20	20.0	20	-2.0
				Sarah Noble					
272	13	20.9	13	Grade 3	253	12	21.1	12	-1.0
290	14	20.7	14	Grade 4	272	12	22.7	12	-2.0
315	14	22.5	14	Grade 5	290	12	24.2	12	-2.0
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877	41	21.4	41		815	36	22.6	36	-5.0
							Total Reductions PK-5		-7.0

Staffing Summary

	PK-2	SNIS	SMS	NMHS	District	Total Change
Additions			1.0 Bilingual (Mandated)			1.0
Reductions	-3 -1 NES (gr 2) -1 NES K -1 HPS K*	-5 -1 gr 3 -2 gr 4 -2 gr 5	Teacher of the Deaf* .45 Admin*			-9.45
Net change to budget	-3.0	-5.0	-0.45	0.0	0.0	-8.45

*Reductions made during the 17-18 school year

Revenue

- Operating Capital, Capital Reserve and 5 Year Capital Plans
 - Operating Capital throughout the budget
 - Need to transition away from funding 5 year Capital projects solely from the Capital Reserves and shift to at least partial funding from the operating budget.
 - The same plan was part of the 17-18 budget proposal but was abandoned to offset budget increase.
 - Not changing this practice increases risk to infrastructure and depletes emergency funds.
 - With tighter budgets and demands for any year end balance, the Capital Reserve Account risks a lack of reserve for emergency funds.
 - The change to proposed Capital Reserve Revenue is down from \$322,500 in the 17-18 Board Adopted Budget to \$222,500 in the 18-19 Superintendent's Proposed Budget. This reduction of \$100,000 in revenue is a 0.15% increase to the proposed budget.

What this budget does:

- Acknowledges financial pressures the State has placed on the community
- Protects opportunities for students
- Provides the necessary materials, equipment, and supplies to implement curriculum
- Ensures curriculum and professional development will continue to keep instruction current and competitive
- Areas of Increased risk:
 - Keep staff turnover assumptions flat year to year
 - Contingency for unanticipated Special Education ODP Costs
- Begins to transition some capital expenses to operating budget

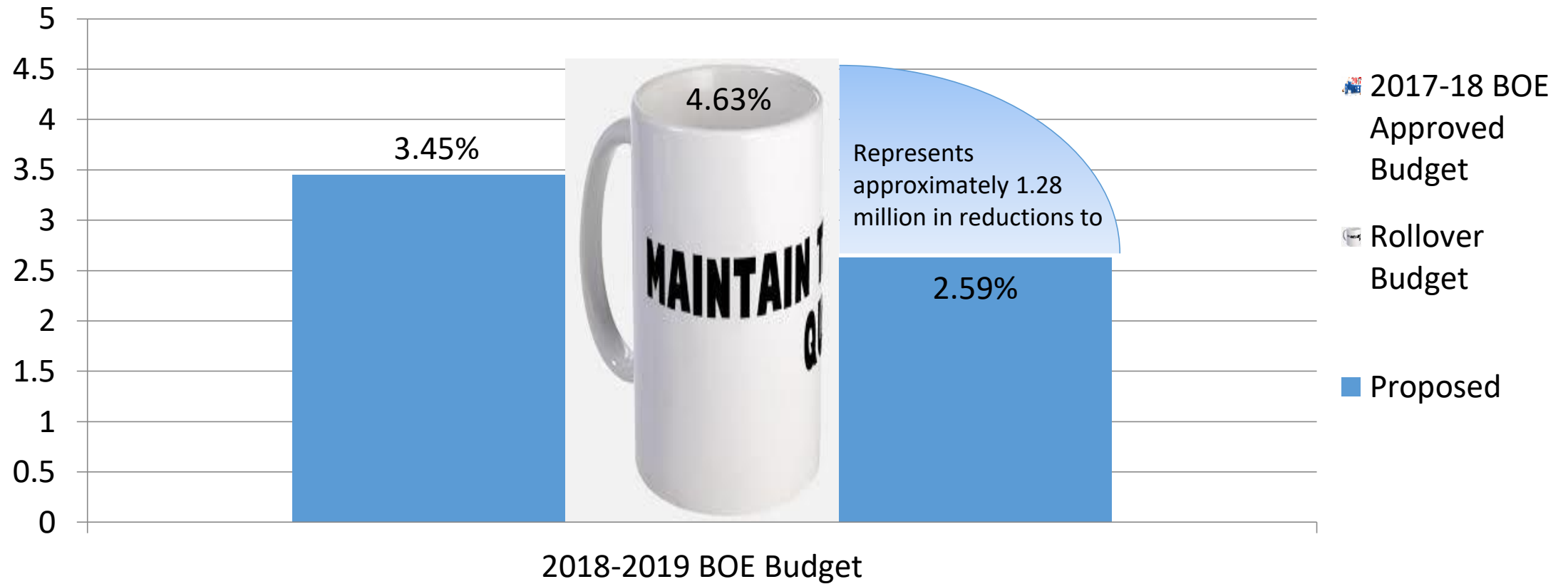
What this budget does not do:

- No Reduction to Academic, Art, Music, Gifted or Athletic programs
- No Increase of instructional or support staff other than state mandates
- No Expanded Programs
- Does not fulfill recommendations made as part of NEASC accreditation

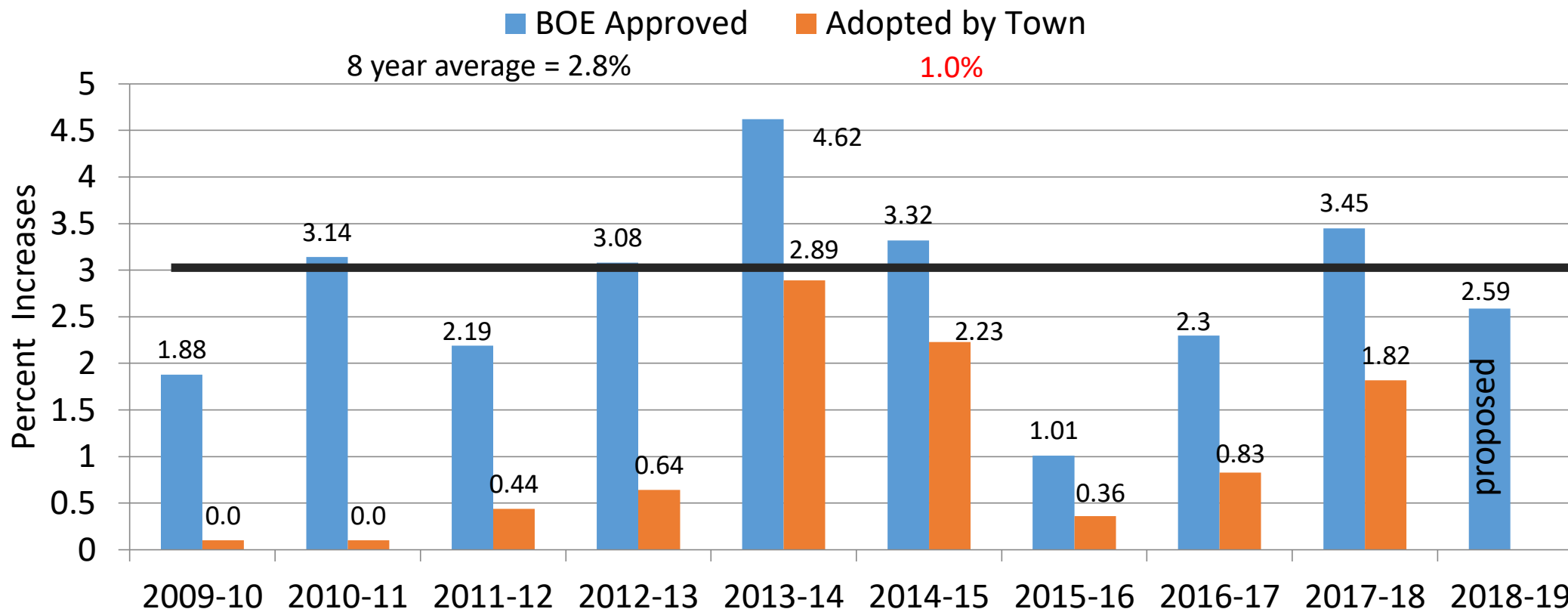
BUDGET SUMMARY

Budget object	2017-2018 Budget	2018-2019 Budget	Year to year Change	Percent Change by Object	Percent of Total 2018-2019 Budget	Percent of Total Increase
Salaries	\$38,091,700	\$38,147,823	\$56,123	0.15%	59.2%	0.09%
Benefits	\$10,445,551	\$11,234,626	\$789,079	7.55%	17.4%	1.22%
Professional Services	\$3,867,186	\$4,117,954	\$250,768	6.48%	6.30%	0.39%
Property Services	\$913,083	\$979,162	\$66,079	7.24%	1.50%	0.10%
Other Services	\$7,589,382	\$7,826,380	\$236,998	3.12%	12.10%	0.38%
Supplies	\$2,665,330	\$2,799,701	\$134,371	5.04%	4.34%	0.21%
Capital	\$514,505	\$524,544	\$10,039	1.90%	0.81%	0.02%
Dues and Fees	\$88,427	\$90,260	\$1,833	2.07%	0.14%	0.00%
Total Expenses	\$64,175,164	\$65,720,450	\$1,545,286	2.41%	2.41%	----
Total Revenue	-\$1,364,578	-\$1,282,928	\$81,650	-5.98%	+1.79%	+0.18
Supt Proposed Total	\$62,810,586	\$64,437,522	\$1,626,936	2.59%	100%	2.59%

Wringing out the sponge:



Board Approved Budget Increases by Percent



Please note that the change between the BOE adopted budget and the referendum approved budget occurs for several reasons:

- Move technology and capital to capital reserve account
- Clear reductions to capital and technology
- Reductions to staffing and other accounts
- Transportation contracts
- Retirement packages
- Insurance offsets

Review of the budget schedule

NEW MILFORD BOARD OF EDUCATION
New Milford Public Schools
50 East Street
New Milford, Connecticut 06776

REVISED AGENDA
2018 - 2019
BUDGET HEARINGS

DATE: January 16, 17, 23, and 24, 2018
TIME: 7:00 P.M.
PLACE: Sarah Noble Intermediate School – Library Media Center

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New Milford Public Schools Mission Statement

The mission of the New Milford Public Schools, a collaborative partnership of students, educators, family, and community, is to prepare each and every student to compete and excel in an ever-changing world, embrace challenges with vigor, respect and appreciate the worth of every human being, and contribute to society by providing effective instruction and dynamic curriculum, offering a wide range of valuable experiences, and inspiring students to pursue their dreams and aspirations.

TUESDAY – JANUARY 16, 2018*

1. Pledge of Allegiance
2. Presentation by Mr. Joshua Smith of the 2018-2019 School Budget
3. Discussion of the 2018-2019 School Budget including, but not limited to, Elementary Schools and the Intermediate School
4. Opportunity for the Public to be heard
5. Recessed to Wednesday, January 17, 2018

WEDNESDAY- JANUARY 17, 2018*

1. Pledge of Allegiance
2. Discussion of the 2018-2019 School Budget including, but not limited to, Department of Instruction, Middle School, and High School
3. Opportunity for the Public to be heard
4. Recessed to Tuesday, January 23, 2018

TUESDAY – JANUARY 23, 2018*

1. Pledge of Allegiance
2. Discussion of the 2018-2019 School Budget including, but not limited to, Pupil Personnel/Special Education, Department of Maintenance, Technology, Department of General Administration, and Capital
3. Opportunity for the Public to be heard
4. Discussion of the performance, future employment and salary of the District Courier, Accounting Manager, Administrative Assistant to the Superintendent, Human Resources Director, Lab Assistant, Systems Analyst, Technology Director, Network Administrator, Assistant Facilities Director, Facilities Director, Data Specialist, Assistant Superintendent, Director of Fiscal Services and Operations, and Food Services Director (executive session anticipated)
5. Recessed to Wednesday, January 24, 2018

WEDNESDAY – JANUARY 24, 2018*

1. Pledge of Allegiance
2. Opportunity for the Public to be heard
3. Exhibit A: Personnel – Certified, Non-Certified Appointments, Resignations and Leaves of Absence dated January 24, 2018

Next steps:

- Questions?
- Up next an overview of K-5 school budgets