

BOARD OF EDUCATION FY 2014/2015 BUDGET QUESTIONS

1. Itemized detail of all budget line items.

The PDF files provided include the itemized detail for all budget lines submitted by all schools, departments, and district offices. Salary information and information specific to contracted services, which were previously requested, is also included under Line 100 information.

2. In 100- Personnel Services Salaries budget there was already \$101,097.00 transferred, please explain how this savings was achieved, and provide the detail.

The District strives to hire highly qualified teachers for all positions; not all open positions can be filled with inexperienced teachers out of college. For example, Guidance Counselors are required to have a 6th year degree to obtain State certification whereas a kindergarten teacher needs only to have a bachelor's degree. During the budget development process, Administration reviews past history of new hires in similar positions in order to project a reasonable salary for the open position(s) of which they are aware up until the time that the budget is sent to referendum.

Additional savings in salary may also be realized due to an open position remaining unfilled due to the lack of qualified applicants, when staff members resign after the referendum has passed and their replacement is hired at a rate lower than what was originally budgeted, or when staff is out on unpaid leaves of absence. Some of the savings in these situations are used to cover the unanticipated substitute costs for those positions.

For 2013 – 2014, below is a list of positions where salary savings were achieved by hiring staff at a level lower than budgeted

| <u>Position</u> | <u>School</u> | <u>Budgeted Salary</u> | <u>Expected Salary</u> | <u>Salary Savings</u> | <u>Notes</u> |
|--|---------------|------------------------|------------------------|-----------------------|--|
| Art | SMS | \$ 59,305.00 | \$ 45,820.00 | \$ 13,485.00 | Staff resigned after referendum passed; replacement hired below budgeted salary. |
| ELL (0.6 F.T.E.) | District | \$ 47,771.00 | \$ - | \$ 47,771.00 | Staff member resigned when position was reduced to 0.6; No applicants; Director of Pupil Services reassigned responsibilities among staff. |
| English, 9-12 | SHS | \$ 50,318.00 | \$ 43,129.00 | \$ 7,189.00 | Replacement hired below budgeted degree/step. |
| Elementary, PK | SV | \$ 25,336.00 | \$ 21,565.00 | \$ 3,771.00 | Replacement hired below budgeted degree/step. |
| Guidance Counselor | SHS | \$ 49,772.00 | \$ 43,129.00 | \$ 6,643.00 | Replacement hired below budgeted degree/step. |
| Guidance Counselor | SHS | \$ 49,772.00 | \$ 35,029.00 | \$ 14,743.00 | Staff requested one year reduction in assignment to 0.6 FTE; LTS hired to fill 0.4 FTE at lower salary |
| Science, 7 | SMS | \$ 46,721.00 | \$ 40,431.00 | \$ 6,290.00 | Replacement hired below budgeted degree/step. |
| Reading / Math / Social Studies, Grade 6 | SMS | \$ 50,318.00 | \$ 40,431.00 | \$ 9,887.00 | Replacement hired below budgeted degree/step. |
| | | | Total Savings: | \$ 109,779.00 | |

3. For the fiscal year 12-13, the Board of Education transferred the following:

- a. \$162,949 from the 100 code to the 600 code
- b. \$110,042 from the 100 code to the 400 code
- c. \$100,872 from the 100 code to the 500 code
- d. \$14,647 from the 100 code to the 200 code
- e. \$10,186 from the 100 code to the 700 code
- f. \$5,334 from the 300 code to the 700 code
- g. \$15,812 from the 300 code to the 800 code

Could you provide the details of the overages as well as the deficits in the codes identified?

The document entitled “2012 – 2013 Salary Changes” explains the budget balances for the 2012-2013 FY in Line 100 Salaries. As for the budget balance in Purchased Professional Services, Line 300, the District had some savings in Special Education Contracted Services due to Individualized Education Program (IEP) changes during the course of the year, as well as savings in several Professional Development accounts as a result of fewer staff attending conferences/workshops and reduction in the cost for professional development presenters and registration fees. It’s important to note that the aforementioned year was one of transition for the district as the previous business manager left July 6, 2012, and the current business manager did not begin his tenure until September 17, 2012.

An explanation of the overages/shortages is as follows:

For Line 200, Employee Benefits, the District was overspent in Social Security Costs, Unemployment Compensation, and Workers’ Compensation. All three lines were underbudgeted. The budget for Social Security did not factor in overtime and substitute salaries. Unemployment and Workers’ Compensation is difficult to predict and original budget projections were low.

For Line 400, Purchased Property Services, the District was overspent in Water and Sewer Services as well as Trash Removal. Water and sewer assessments were higher than expected so these accounts were underbudgeted. Trash removal was overspent due to additional pickups and additional invoices from the prior year, which had not been not paid until the 2012-2013 FY. In addition, the District was overspent on our phone contract. This is a contracted service for the voicemail system at each school location and includes maintenance of the phones and the system itself. In addition to this line being underbudgeted, the contract does include additional fees for services not covered by the contract and which was not budgeted. IT repairs and maintenance was overspent due to the need to repair/replace components within the IT infrastructure to maintain e-mail and Internet services. The District was overspent in several of its maintenance and repair accounts including plumbing, building repairs, and maintenance contracts. All repairs and additional services were needed to ensure the safe and efficient operation of our facilities. The additional costs in maintenance contracts covered the work performed by C-Tec Solar for the installation of the solar thermal panels at SMS, approximately \$20,000 of which was not included in the original budget. Lastly, the District was overspent in Lease Rental as it transitioned to centralized printing as opposed to supporting individual printers in classrooms, which required maintenance and the purchase of ink cartridges: this additional lease cost for the approximately 25 printers added district-wide was not included in the original budget proposal. This initiative, however, has resulted in the elimination of most ink jet printers district-wide and the reduction of the District’s school supply accounts, and our printers are now on a service contract.

For Line 500, Other Purchased Services, the District was overspent in Transportation, Insurance, Telephone Service, Internet, and Field Trips. In transportation, the District was overspent in fuel as usage was very high for the year. It was overspent in field trips, due mainly to the fact that many athletic teams made post season playoffs. A higher volume of field trips added to the higher fuel consumption. Both property and liability insurance were overspent; both accounts were underfunded. The District had not budgeted for costs for student activity-athletic insurance. Lastly, both phone service and Internet service (service between our buildings to the CEN) were underbudgeted. This is due to the fact that the budget netted out E-Rate reimbursements for both, however, the previous Business Manager had not submitted for E-Rate reimbursement for the 2012-2013 FY. Therefore, the district did not receive the discounts, incurring the full cost of these services.

For Line 600, Supplies, the District was overspent in electricity, and propane gas. For the 2011-2012 FY (and early part of 2012-2013), its electricity bills indicated that they were estimated. During the 2012-2013 FY, CL&P sent “corrected” bills, which indicated our actual usage and included the additional charges owed. Most of our estimated bills were well under the indicated apparent usage. After three months of protesting

the bills, the District ultimately made the payments. In addition, the actual monthly usage was higher than anticipated and was not appropriately funded.

For Line 700, Property, the District was overspent in IT equipment, athletic equipment, and SMS equipment. When it was determined our server could not support the district's financial software system, IT equipment included the purchase of a new server, which was not in the original budget.

For Line 800, Other Objects, the District was overspent in District Fees. This was due to fees for Truancy and Residency Services, which were not included in the budget as well as the fees for the NESDEC study, which was conducted to determine the best educational use of the District's facilities.

4. In Purchased Property Services there is a transfer of \$40,000. Understanding this would be for the relocating of the Administrative Offices and based on the revised changes of this move (Superintendent now moving to portable) what is the savings anticipated? What is the status of this move? The Board of Finance recommends costs to be distributed first from the Board of Education's budget and the balance from the Town's budget.

As indicated in the Superintendent's memorandum to the Board of Education on February 24, 2014, a copy of which is attached, the reason for the change of location of the Superintendent's Office from the elementary school to the portable is to limit the number of outside visitors coming into SES since the Business Office visitors are typically current employees and vendors, who will be expected to have scheduled an appointment. By assigning the Superintendent's Office to the portable, we will limit access of persons not currently employed by the Board of Education to our elementary school, thereby eliminating the need to install a secure entrance. The savings from the switch in locations is currently estimated to be about \$4,000. The Board expects to assume responsibility for the initial \$40,000 in project costs.

5. After the close of the Pinney School building and the Administrative Offices are moved, what Capital Improvements are you anticipating?

The district's proposed Capital Improvements for next year are included in the 2014-2015 itemized estimate. Because of the de-centralization of central office, the District has no plans for improvements to the Pinney Building. Revenue from the sale of the Pinney building will go to the General Fund.

6. SPECIAL NEEDS COSTS:

What is the breakdown of 2014-2015 costs for tuition and transportation for the following:

a. Students out-placed in public facilities?

The district has students, who are currently attending public and private special education facilities. Although not specifically requested, costs for both are listed below. These placements are fluid and based specifically on student needs, which change often throughout the school year.

Tuition Public: \$435,000 (\$555,000 minus \$120,000 estimated excess cost reimbursement)

Transportation Public: \$311,200 (\$380,000 minus \$68,800 estimated excess cost reimbursement)

Tuition Private: \$563,200 (\$705,000 minus \$141,800 estimated excess cost reimbursement)

Transportation Private: \$42,600 (\$52,000 minus \$9,400 estimated excess cost reimbursement)

b. Students attending State technical schools?

Tuition: \$0

Transportation: \$109,189 (2 buses and corresponding fuel expenses)

c. Students attending Rockville Vocational Agricultural Program?

Because the District does not know the exact enrollment until after the start of the school year, the budgeted amount is based on the anticipated number of students to be enrolled.

Tuition: \$75,000

Transportation: \$54,595 (1 bus and corresponding fuel expense)

d. Students attending Magnet School Programs?

As is the case with Vocational-Agricultural programs, the District does not receive a report of actual enrollments until after the start of the school year. Under State law, however, the District is obligated to pay all magnet school tuition. Failure to do so would result in a deduction from the District's ECS payment for that fiscal year.

Tuition: \$172,400

Transportation: \$0 (For students attending ACT, a contracted cost of \$12,000 is billed as part of tuition)

In addition, the District spends approximately \$20,000 for the provision of special education and related services for eligible magnet school students.

e. Students attending St. Edward School (District provides Nursing Staff and Transportation).

The district is required to provide transportation and health services. The cost for the Nurse is currently budgeted at \$36,575. Since parents/guardians pay tuition to St. Edward, there is no tuition cost to the district. In terms of transportation, St. Edward School students are transported by our district's buses to Stafford Elementary School. After SES students have been dropped off at the school, one bus transports students attending St. Edward School to the site. The reverse protocol occurs in the afternoon. While there is essentially no cost to the district, the district is permitted to claim one bus and fuel on our ED001 report as non-public transportation costs for which the Town receives revenue funds.

7. Based upon the State of CT Dept of Education Bureau of Grants Management, the following 2012-2013 Net Current Expenditures per Pupil (NCEP) were published in November 2013: Stafford - \$14,857 per pupil and Somers - \$12,885.89 per pupil. Somers is the closest town to Stafford in proximity and student population. If we equalize the numbers in Stafford (1757) and Somers (1569) to the average of 1658 students and use the difference of cost per student of \$1972/student, we have an operating cost difference of over 3.2 million dollars.

Please illustrate in detail the places where Stafford incurs these additional costs over the Somers School system using only the items that are included in the NCEP calculation.

First and foremost, it's important to note that school districts are divided into nine groups called District Reference Groups (DRGs), classification of which is determined by seven data indicators:

- Three indicators of socioeconomic status;
 - Median family income
 - Parental education
 - Parental occupation
- Three indicators of need; and
 - Percentage of children living in families with a single parent
 - Percentage of public school children eligible to receive free or reduced-price meals
 - Percentage of children whose families speak a language other than English at home
- Enrollment (The number of students attending schools in the district)

Somers is in District Reference Group (DRG) C and Stafford is in DRG F, three DRGs lower than the former.

While asked to illustrate in detail the places where Stafford incurs additional costs over Somers using only the items included in the NCEP calculation, the District thought it would be helpful to define “NCEP” and provide an explanation of the factors that contribute to the calculation.

Net current expenditures per pupil (NCEP) is a cost measure calculated by the State each year and it is what the State uses for the purposes of calculating the Excess Cost grant reimbursement. Net current expenditures (NCE) are calculated as defined in Connecticut General Statutes (C.G.S.) Section 10-261(a)(3):

(3) "Net current expenditures" means total current educational expenditures, less expenditures for (A) pupil transportation; (B) capital expenditures for land, buildings, equipment otherwise supported by a state grant pursuant to chapter 173 and debt service; (C) adult education; (D) health and welfare services for nonpublic school children; (E) all tuition received on account of nonresident pupils; (F) food services directly attributable to state and federal aid for child nutrition and to receipts derived from the operation of such services; and (G) student activities directly attributable to receipts derived from the operation of such services, except that the town of Woodstock may include as part of the current expenses of its public schools for each school year the amount expended for current expenses in that year by Woodstock Academy from income from its endowment funds upon receipt from said academy of a certified statement of such current expenses, and except that the town of Winchester may include as part of the current expenses of its public schools for each school year the amount expended for current expenses in that year by The Gilbert School from income from its endowment funds upon receipt from said school of a certified statement of such current expenses;

NCEP includes all current public elementary and secondary expenditures from all sources, which includes grant sources and excludes reimbursable regular education transportation, tuition revenue, capital expenditures for land, buildings and equipment, and debt service. The information is derived from the district’s End of Year School Report (ED001), which is audited annually. The NCEP is based on the average daily membership (ADM) of the district in accordance with C.G.S. Section 10-261(a)(2):

(2) "Average daily membership" means the number of all pupils of the local or regional board of education enrolled in public schools at the expense of such board of education on October first or the full school day immediately preceding such date, provided the number so obtained shall be decreased by the Department of Education for failure to comply with the provisions of section 10-16 and shall be increased by one one-hundred-eightieth for each full-time equivalent school day of at least five hours of actual school work in excess of one hundred eighty days and nine hundred hours of actual school work and be increased by the full-time equivalent number of such pupils attending the summer sessions immediately preceding such date at the expense of such board of education; "enrolled" shall include pupils who are scheduled for vacation on the above dates and who are expected to return to school as scheduled. Pupils participating in the program established pursuant to section 10-266aa shall be counted in accordance with the provisions of subsection (h) of section 10-266aa;

The ADM represents resident students educated in and out of district, adjusted for school sessions in excess of the 180/900 hour minimum, tuition free summer school and participation in Open Choice, for which Stafford Public Schools does not qualify as we are located outside of the “catchment” area. Pre-kindergarten students are counted on a full-time equivalency basis.

During the 2012-2013 school year, the Stafford Public Schools’ budget increased by 5.1% and student enrollment decreased by 103 students. The calculations and figures as used by the State are:

| | | | |
|------------------|-------------------|---------------|----------------|
| 2012-2013 | NCE: \$25,962,599 | ADM: 1,747.47 | NCEP: \$14,857 |
| 2011-2012 | NCE: \$25,279,762 | ADM: 1,836.48 | NCEP: \$13,765 |

As indicated, the district's reported expenditures, for the purposes of NCEP, increased \$682,837 or 2.7% while our ADM decreased 89.01 students or 4.85%. The combined effect is an increase in our NCEP of \$1,092 or 7.93%. As you can see, several factors affect NCEP: new grant awards and expiring grant awards, where increases to expenditures actually occur, summer school, student enrollment, magnet school enrollment, etc., many of which are difficult to predict in advance.

Below is an analysis of key components reported by the State and information attained from Somers Public Schools staff. The Strategic School Profiles for Somers and Stafford, last published for the 2011-2012 school year, may be accessed via the State website.

| DRG C | DRG F |
|---|--|
| Andover, Barkhamsted, Bethany, Bolton, Canton, Columbia, Cornwall, Ellington, Essex, Hebron, Mansfield, Marlborough, New Hartford, Oxford, Pomfret, Salem, Sherman, Somers, Suffield, Tolland, Regions 4, 7, 8, 10, 12, 13, 14, 17, 18 and 19 | Canterbury, East Windsor, Enfield, Griswold, Montville, North Canaan, Plainville, Plymouth, Seymour, Sprague, Stafford, Sterling, Thompson, Voluntown, Windsor Locks, Wolcott, Region 11 |

Characteristics of DRGs (2006)

| Variable | DRG C | DRG F |
|--|---|--|
| Median Family Income | \$78,650 | \$59,143 |
| Percent with Bachelor's Degree | 45.9% | 17.0% |
| Percent Managerial/Professional Occupation | 52.1% | 31.2% |
| Percent Children in Single-Parent Families | 12.9% | 21.7% |
| 2004 Percent Children in Poverty | 4.4% | 17.9% |
| 2004 Percent Non-English Home Language | 1.5% | 2.6% |
| 2004 Average Enrollment | 1,308 | 1,848 |
| | Somers ranked 23 rd of 30 districts DRG C | Stafford ranked 16 th of 17 districts in DRG F |

Note: Variables used to form 2006 DRGs (Most recent classification): Four variables (income, education, occupation, and family structure) were based on 2000 census data allocated to school districts for the National Center for Education Statistics (NCES). The remaining three variables (poverty, home language, and district enrollment) were taken from the State Department of Education's October 2004 records. All variables were based upon families with children attending public school.

Source: CSDE, Bureau of Research, Evaluation and Student Assessment, *Research Bulletin* (June 2006).

General Comparisons

| | Somers | Stafford |
|--|--|--|
| Number of Public Schools | 3 | 5 (plus Pinney) |
| Number of Building Administrators | Three 12-month principals and three 10-month principals, one for each school | Five 12-month principals, one for each school, and two 12-month assistant principals, one each for the middle and high schools |
| Student eligible for free/reduced meal prices | 89 students (5.5%) | 533 students (29.3%) (Increased to 31% for 2012-2013) |
| Students not fluent in English | 9 students (0.6%) | 13 students (0.8%) |
| PK-12 students receiving special education services | 155 students (9.6%) | 174 students (9.6%) |
| Homeless | 0 students (0%) | 14 students (0.8%) |
| NAEYC Accreditation | Preschool only | Preschool and kindergarten |
| Early & Basic Head Start and School Readiness | No programs offered | All three programs offered |
| ECS | \$6,002,619 (\$3,825/student) | \$9,945,832 (\$5,692/student) |
| Grant Funds | \$352,874 | \$1,006,180 |
| Out-of-District Tuition Costs | \$776,628 | \$1,069,100 |
| Magnet School Tuition | \$45,000 (approximately) | \$107,233 |
| NCEP | \$12,886 | \$14,857 |

Note: Grant funds contribute to a district's NCEP since they are intended to supplement, not supplant, the budget. Also, the ECS money is revenue for the Town and not reflected in the BOE's itemized estimate. It is also important to note that the taxpayers are not paying the full NCEP.

Resources and Expenditures: District Staff

| | Somers | Stafford |
|--|-----------------|-----------------|
| FTE Count of School Staff | | |
| GE: Teachers & Instructors | 102.40 | 120.20 |
| GE: Paraprofessionals | 6.2 | 28.30 |
| SE: Teachers & Instructors | 17.80 | 20.70 |
| SE: Paraprofessionals | 27.50 | 35.88 |
| District Level Administrators, Coordinators & Dept. Chairs | 5.0 | 3.0 |
| School Level Administrators, Coordinators & Dept. Chairs | 6.0 (3 schools) | 7.0 (5 schools) |
| Counselors, Social Workers & School Psychologists | 7.5 | 12.0 |
| School Nurses | 3 | 8 |

Average Class Size

| | Somers | Stafford |
|-------------|---------------|-----------------|
| Grade PK* | | |
| Grade K | 17.7 | 16.6 |
| Grade 2 | 23.0 | 16.4 |
| Grade 5 | 21.2 | 21.7 |
| Grade 7 | 23.0 | 20.2 |
| High School | 16.7 | 14.2 |

*Somers provided two half-day sessions of preschool for students with special needs, which included peer role models (12 student maximum per session) while Stafford provided universal preschool for three and four year olds in 2011-2012.

District Expenditures & Revenues, 2010-2011 (in 1000s)

| Expenditures | Somers | Stafford |
|-------------------------------|---------|----------|
| Plant Operation & Maintenance | \$1,116 | \$1,567 |
| Transportation | \$648 | \$1,055 |

Special Education Expenditures

| Somers | Stafford |
|-------------|-------------|
| \$4,569,915 | \$5,769,829 |

District Comparison: Achievement Rankings

| Districts | Overall District Rank for Achievement (out of 164) |
|------------------------------|---|
| DRG F | |
| Wolcott | 54 |
| Stafford | 65 |
| Canterbury | 69 |
| Enfield | 89 |
| Plainville | 90 |
| North Canaan | 95 |
| Region 11 | 98 |
| Montville | 101 |
| Sterling | 107 |
| Seymour | 108 |
| Plymouth | 109 |
| Voluntown | 111 |
| Griswold | 116 |
| Thompson | 121 |
| Sprague | 123 |
| Windsor Locks | 126 |
| East Windsor | 138 |
| DRG F Average | 101 |
| Surrounding Districts | |
| Tolland (C) | 30 |
| Mansfield (C) | 32 |
| Suffield (C) | 36 |
| South Windsor (B) | 42 |
| Somers (C) | 53 |
| Woodstock (E) | 57 |
| Ellington (C) | 61 |
| Stafford (F) | 65 |
| Bolton (C) | 66 |
| Willington (E) | 73 |
| Vernon (G) | 127 |
| Windham (I) | 158 |

Rank score is determined by averaging the ranks of the individual schools within each district.

Data Source: schooldigger.com

High School Comparison Rankings

| DRG F High Schools (12) | Overall State High School Academic Achievement Rank (out of 194) | Student to Teacher Ratio (the lower the number the better) |
|-------------------------------------|--|--|
| Stafford High School | 47 | 13.3 (T 133) |
| Wolcott High School | 55 | 13.4 |
| Plainville High School | 88 | 11.7 |
| Plymouth High School | 89 | 12.3 |
| Parish Hill High School (Region 11) | 93 | 9.7 |
| Tourtellotte High School (Thompson) | 99 | 11.8 |
| Griswold High School | 103 | 11.7 |
| Enfield High School | 104 | 11.9 |
| Windsor Locks High School | 110 | 12.2 |
| Seymour High School | 115 | 12.3 |
| Montville High School | 120 | 11.5 |
| East Windsor High School | 151 | 10.1 |
| DRG F Average | 98 | 11.8 |

- ☒ Academic achievement ranking based upon 2013 CAPT Mathematics and Reading results
- ☒ Stafford High School has the highest ranking in the DRG with the second worst student teacher ratio
- ☒ All but one DRG F high school (Wolcott- 13.4) has a higher student to teacher ratio
- ☒ To achieve the DRG F average ratio approximately 4.8 teaching positions would need to be added
- ☒ Adding the proposed 1.2 positions (Technology Education- 1FTE, Blended Learning- .2) would result in a 12.9 student to teacher ratio; still significantly above the DRG average and ranked second worst

| Area High Schools that Stafford Students Elect to Attend | Overall State High School Academic Achievement Rank (out of 194) | Student to Teacher Ratio (the lower the number the better) |
|--|--|--|
| Stafford High School | 47 | 13.3 |
| Woodstock Academy | 75 | 13.9 |
| Greater Hartford Academy of the Arts | 97 | 17.9 |
| ACT Magnet School | 101 | 10.2 |
| Rockville H.S. (Vo-Ag) | 127 | 10.9 |
| Cheney Technical H.S. | 135 | 11.8 |
| CREC Public Safety Academy | 153 | 13.6 |
| Windham Technical H.S. | 155 | 12.7 |

| Area High Schools | Overall State High School Academic Achievement Rank (out of 194) | Student to Teacher Ratio (the lower the number the better) |
|-----------------------------|--|--|
| Tolland High School | 35 (DRG C) | 14.3 |
| Suffield High School | 39 (DRG C) | 13.6 |
| South Windsor High School | 44 (DRG B) | 12.5 |
| Bolton High School | 46 (DRG C) | 12.0 |
| Stafford High School | 47 (DRG F) | 13.3 |
| E.O. Smith High School | 48 (DRG C) | 11.3 |
| Somers High School | 50 (DRG C) | 11.6 |
| Ellington High School | 51 (DRG C) | 12.7 |
| Woodstock Academy | 75 (DRG E) | 13.9 |

Data source: schooldigger.com

Middle School Comparison Rankings

| DRG F Middle Schools | Overall State High School Academic Achievement Rank (out of 266) | Student to Teacher Ratio (the lower the number the better) |
|----------------------|--|--|
| Stafford | 55 | 11.1 |
| Canterbury | 70 | 10.4 |
| Wolcott | 75 | 12.1 |
| Voluntown | 84 | 10.4 |
| Sprague | 102 | 12.5 |
| Plainville | 112 | 11.4 |
| North Canaan | 117 | 9.1 |
| Reg 11 | 118 | 9.7 |
| Seymour | 120 | 14.1 |
| East Windsor | 146 | 10.1 |
| Montville | 147 | 11.7 |
| Enfield | 149 | 12.2 |
| Griswold | 151 | 14.9 |
| Sterling | 158 | 12.3 |
| Plymouth | 171 | 12 |
| Windsor Locks | 176 | 10.9 |
| Thompson | 181 | 13 |
| | | |
| DRG Average | 125 | 11.6 |

| Area Middle Schools | Overall State High School Academic Achievement Rank (out of 226) | Student to Teacher Ratio (the lower the number the better) |
|-------------------------------|--|--|
| Tolland Middle School | 16 (DRG C) | 13.3 |
| Suffield Middle School | 51 (DRG C) | 11.5 |
| South Windsor Middle School | 57 (DRG B) | 12.6 |
| Bolton Center School | 33 (DRG C) | 12.4 |
| Stafford Middle School | 55 (DRG F) | 11.1 |
| Mansfield Middle School | 49 (DRG C) | 10.4 |
| Somers Middle School | 40 (DRG C) | 13.5 |
| Ellington Middle School | 88 (DRG C) | 12.7 |

A listing of the Net Current Expenditures per Pupil (NCEP) was included in the budget binders, which were provided previously. A listing of NCEP for DRG F is attached.

A review of this information illustrates that a comparison of the two districts is synonymous to “comparing apples to oranges”. Therefore, to make budgetary decisions for Stafford Public Schools based on the budgetary needs of Somers is not rational.

8. With present student population, what is our MBR?

The 2013-2014 Minimum Budget Requirement (MBR) for Stafford Public Schools is \$25,989,204. A complete listing published by the Connecticut State Department of Education (CSDE) is attached.

9. If funded at last year’s level, how would you adjust your budget without affecting student programs? How would this affect class size? Sports? Music?

If the Board is directed to adjust its budget to last year’s level, student programs would undoubtedly be affected. While Stafford Public Schools may be perceived as a business, it is not comparable to one such as a manufacturing business in which parts and supplies are ordered in specific ratios in order to produce a specific number of objects. Rather, a school district is a service provider; we provide specific services to a targeted group(s). The services we provide are not “one size fits all” and it’s not as simple as if you spend “X” you will get “Y”. Since staff provides these services, school district budgets are comprised mostly of salaries and benefits. Salaries and benefits constitute approximately 76% of our 2014-2015 budget. Therefore a reduction to last year’s level, would result in a reduction of staff, which is what drives the expenses, thus resulting in a reduction in services, which would directly impact students.

10. With student enrollment going down should staff also show reductions?

While one would assume there would be a direct correlation between a decrease in enrollment and a decrease in staff, an analysis of the decreases indicates that they are spread across the district, which services students in pre-kindergarten through grade 12. A reduction of 43 students, district-wide, does not equate to the reduction of an elementary school classroom teacher.

Another factor that affects staffing is the number of students, who are eligible for special education services under the Individuals with Disabilities Education Act (IDEA). According to our October 1, 2013, State report, the District has had an increase of 21 students eligible for special education services since 2010. Please note, the figures below represent students with special needs who attend our public schools and those attending out-of-district placements.

October 1, 2013: 198 students eligible for special education services
 October 1, 2012: 198 students eligible for special education services
 October 1, 2011: 187 students eligible for special education services
 October 1, 2010: 177 students eligible for special education services

While some students may be easily “absorbed”, there are other students, with significant needs, who require additional accommodations and specialized instruction. While these students may not qualify for “excess cost reimbursement” (i.e. 4.5 times the Per Pupil Expenditure), the District is obligated to provide services and accommodations in accordance with their Individualized Education Programs (IEPs).

The inclination to conduct a year-to-year comparison of the number of staff is not logical as it does not take into account new initiatives. For example, in an attempt to implement full-day kindergarten for the 2013-2014 school year, the District added four (4) full-time kindergarten teachers and one (1) part-time prekindergarten teacher, while eliminating two (2) full-time prekindergarten teachers to mitigate the financial impact. These staffing changes are reflected in the response to the question 11.

11. How much does the Board of Education anticipate returning for the FY 2013/2014 budget? Student population in 2008 the student population was 1918 in 2013 it is 1634 with such a decrease in student population what reductions have been made by the Board of Education in staff or other services?

It is difficult to predict how much money will be returned to the Town for the FY 2013-2014 at this time. District schools have until April 25, 2014, to submit purchase requests. During the month of May, the Business Office determines the status of all open purchase orders as well as that of contracts and invoices. Salary line items such as Substitutes will remain open through the end of the school year and so it is difficult to predict their final balances.

While enrollment data reflects an increase from 10/07 to 10/08, a decrease from 10/08 to 10/09 and an increase from 10/09 to 10/10, it was not until 10/11 that we began to experience a steady decline in enrollment. The following tables reflect changes in staffing for these last three years:

| School Year | FT Count | FT FTE | PT Count | PT FTE | Total Count | Total FTE |
|-------------|----------|--------|----------|--------|-------------|-----------|
| 2011-2012 | 298 | 298.00 | 33 | 18.00 | 331 | 316.00 |
| 2012-2013 | 293 | 293.00 | 39 | 20.51 | 332 | 313.51 |
| 2013-2014 | 291 | 291.00 | 42 | 24.21 | 333 | 315.21 |

A more thorough analysis of the data is reflected in the table below:

| | 2011-2012 | | | 2012-2013 | | | 2013-2014 | | |
|----------------------|-----------|----|--------|-----------|----|--------|-----------|----|--------|
| Position Title | FT | PT | PT-FTE | FT | PT | PT-FTE | FT | PT | PT-FTE |
| Administrators | 10 | 0 | 0 | 10 | 0 | 0 | 10 | 0 | 0 |
| Certified Staff | 159 | 5 | 2.9 | 157 | 6 | 4.07 | 157 | 9 | 5.37 |
| Non-Certified Staff | 96 | 15 | 8.58 | 94 | 19 | 9.08 | 94 | 19 | 11.28 |
| Non-Affiliated Staff | 23 | 8 | 3.82 | 22 | 9 | 4.66 | 21 | 7 | 3.66 |
| Food Service Program | 10 | 5 | 2.7 | 10 | 5 | 2.7 | 9 | 7 | 3.9 |

It is important to note that while the number of full-time certified, non-certified and non-affiliated employees has decreased slightly each year, there are slight increases in the number of part-time certified and non-certified employees. However, the district does not provide benefits to most part-time staff members thereby realizing savings, which unfortunately are consumed by annual increases in insurance costs. In accordance with bargaining unit contracts, part-time certified staff members working .50 FTE or less, non-certified staff members working .60 FTE or less, and all part-time non-affiliated staff members do not receive benefits.

Finally, we thought it would be helpful to provide a summary of changes in staffing during the last three budget cycles. As a reminder, the district implemented full-day kindergarten for the 2013-2014 school year and reduced pre-kindergarten, therefore four (4) new kindergarten teachers and one (1) part-time pre-kindergarten teacher were added, and two full-time pre-kindergarten positions were eliminated. This information is presented in the table below:

| Budget Year | Additions | Reductions | Eliminations |
|--------------------|---|---|---|
| 2011-2012 | School Guidance (+0.55) Spec Ed/PK Teacher (+.10) Intensive Education Academy Teacher (+0.8) | Math Teacher (-0.5) Receptionist Pinney (-0.1) | Family Consumer Science Teacher (-1.0) |
| 2012-2013 | Two (2) Interventionists (PT) (+1.34) Spec Ed Paraprofessional (PT) (+0.5 through 6/2013) | Science Teacher (-0.33) Special Education (-.10) Music Teacher (-0.2) Art Teacher (-0.2) | Two (2) FT Paraprofessionals (-2.0) One (1) FT Computer Tech (-1.0) One (1) PT Staff Member- Family Resource Center (-.50) |
| 2013-2014 | Music Teacher (+0.2) Four (4) FT Kindergarten Teachers (+4.0) PT Pre-kindergarten Teacher (+0.5) Five (5) PT Paraprofessionals (+5@.60) Increase PT Custodial FTE (+.20) Two (2) PT Cafeteria Workers (+1.2) | English Language Learner Teacher (-0.4) | Nurse (-1.0) FT Instrumental Music Teacher (-1.0) Two (2) FT Pre-kindergarten Teachers (-2.0) Secretary, PT (-.50) Two (2) PT Staff Members- Family Resource Center (-2@.50) One (1) PT Paraprofessional (-.50) One (1) FT Cafeteria Worker (-1.0) |

In terms of reductions to services, the Reading Recovery Program was cut from the 2011-2012 budget, the same year the number of school days was reduced from 182 to 180. While the services were once at no cost to parents/guardians, the Board now charges a sports transportation fee and a pre-kindergarten tuition fee. When the middle school music teacher retired, the position was replaced by 0.2 FTE, which has impacted the instrumental music program at the middle school this year. Summer school is another program that has not been consistently offered to our students.

The Board of Education has also made significant reductions in other areas such as Technology, Supplies and Textbooks in an attempt to preserve staff and programs.

12. When there are additional monies remaining in a budget line item do you look to spend it for something else that was not included in your original itemized estimated budget, if you do not need it to cover underestimated amounts?

Currently, funds remaining in a budget line item are utilized first to cover shortages in other areas within the same line item (e.g. line 100, object code 111 to object code 112). For example, if a teacher has been

approved for an unpaid leave of absence, the District would assume the cost of a substitute. Therefore monies may be transferred from certified salaries to certified related salaries.

If another object code (e.g. Line 600 Supplies, object code 620 Heating Oil) is over expended, the district will look to transfer savings from other object codes to cover the shortage. There have been situations, which warranted transfers to address unanticipated or unmet needs, which were either not included in the original proposal or were a result of reductions. For example, the Town converted the boilers at Staffordville School to propane gas (a more economical fuel than oil) and funds originally budgeted for Heating Oil for Stafford (object code 620) were transferred to cover propane expenses (object code 622). Due to unforeseen circumstances, the cost of propane has drastically increased and the budget for propane for Staffordville School is currently overspent. Once the winter heating season is over, the district will look to rebudget funds from other lines to cover the overage.

All transfers are presented to the Board of Education for approval. As a reminder, copies of all transfers approved by the BOE this fiscal year were provided to you as part of the District's initial budget presentation.

13. The unemployment line doubled, why? If Salaries are going up why is unemployment increasing?

The current average monthly payment for unemployment has doubled as compared to last year. Recent monthly payments have been more than \$7,000. Although the amount of funds for salaries has increased, the district is liable for previously eliminated positions and will potentially be responsible for all positions eliminated for 2014-2015. In addition, since these calculations by the Department of Labor are based on the previous five quarters (15 months) when evaluating unemployment claims, employees who left of their own accord within that time and have since become unemployed are eligible to claim benefits from the district. Should the district need to eliminate additional positions, there is the potential need to increase this budget line.

14. Where does the \$14,748 increase in Social Security come from? How was this calculated?

The budget spreadsheet, which is utilized for this calculation, takes into consideration staff salaries only. A review of social security expenditures indicates that the account had been underfunded each of the previous two years. The district also pays social security on overtime wages as well as substitute salaries (neither of which was included in the calculation). The spreadsheet was revised to include non-certified overtime and substitute salaries. So although the budget for non-certified staff decreased, when combined with the increase in non-affiliated salaries and the addition of overtime and substitutes, the net effect is an increase. To calculate social security benefits, all salaries subject to Federal Insurance Contributions Act (FICA) tax are added and multiplied by 6.2%. All salaries, including teachers are added together and multiplied by 1.45% to calculate the Medicare expense. It is also important to note that teachers and administrators are not subject to FICA taxes.

15. With the energy projects where is the savings? Why the increase in electricity?

First of all, the district's electricity usage has increased over prior years. In addition, the District, as is the case for other consumers, has been subjected to additional fees during the winter. Third, the District is currently only locked into pricing for electricity until December 2014. Collectively, these factors have lead to an increase for electricity in the 2014-2015 budget.

Until the energy projects are completed and operational, savings in electricity cannot be realized. At this time, the District does not have a completion/operational date for the projects. Additionally, the district has not received documentation which outlines the savings at any/all of the affected locations so the budget cannot be adjusted accordingly. Lastly, based on previous meetings with the Stafford Energy Advisory

Committee (SEAC) and the Town, the savings in electricity from all proposals for the solar photo-voltaic (PV) projects are committed to the payments for implementation of the project. The district has not received any indication whether these payments will be fully funded through the Town. As was the case for the solar hot water projects, any projected savings in electricity will be re-budgeted to Debt Service Payments, and payment will be made to the Town for use toward the solar PV projects. If it is the Town's decision to handle payments differently, the district will certainly work with the Town toward those ends.

16. Text books increased from \$10,701 to \$69,045? Please explain.

The textbook request for 2013- 2014 was \$45,000. As part of the budget process, textbook purchases for Music and Geometry, in addition to the updates of reading and literature books aligned to the Common Core State Standards (CCSS) were postponed to this year. Therefore, the 2014-2015 budget addresses the requests originally included in the 2013- 2014 budget. In addition, this figure includes the purchase of science kits, which are aligned with new national science standards. Estimated cost of these upgrades is approximately \$60,000; therefore, the most prudent plan is to spread the upgrade over four years rather than making a single investment in any one year.

17. Why is an additional Coordinator necessary for the Summer School Program?

The 2014-2015 itemized estimated does not include an additional Coordinator position. The request is for reinstatement of the position for Summer School 2014, which was drastically scaled back last year due to budget reductions. Approximately 125 students were affected.

a. What are the overall additional costs for the Summer School program?

School reform legislation expects districts to provide remediation and support services throughout the school year and in the summer. Therefore, it is made available for students who have been identified as "at risk for fallback", in need of credit recovery at the high school, and in need of on-going remedial support in reading and/or math. In addition, Extended School Year (ESY) services are mandated for students for whom the Planning and Placement Team (PPT) has deemed eligible for such services.

Districts provide summer school for regular education students as an effective intervention to support the learning needs of students who have not yet achieved proficiency of grade level expectations and/or to avoid falling behind with credits for graduation. Additional costs are the following:

Transportation- \$26,208

Supplies- \$5,375

Nurse- \$3,240

Certified Salaries- \$47,430

Non-certified salaries-\$8,757

b. If the programs is not budgeted for what happens to the students who need to go to Summer School?

As mandated by the federal government, extended school year services will only be provided to students eligible as indicated through the PPT process with some credit recovery services for high school students. At this time, we anticipate that approximately 125 students will be affected. Students may choose to resort to surrounding towns at a cost to their families. In previous years, we have observed a very high percentage of students who would have been invited to attend summer school do not attend programs. Among the contributing factors in a family's decision not to attend other districts' programs when summer school in Stafford has been eliminated are inconvenience, time, and cost. By attending a summer school program in

another district, students lose the benefit of being taught by our teachers who are familiar with the Stafford curricular goals and the specific needs of each child enrolled and learning alongside other Stafford students.

c. Please detail the cost associated with summer school vs. no summer school?

While the total budgeted costs associated with Summer School K-8 are indicated above, please note, some costs will remain for transportation, supplies, and salaries. It is impossible to reduce the entire summer school budget to \$0 due to mandated requirements through the Individuals with Disabilities Education Act (IDEA) and the risk of high school students falling behind in terms of graduation requirements.

18. Under Purchased Property Services in the Capital Improvements line item there is an amount budgeted for security upgrades of \$25,000.00; please describe in detail what this is.

In summer 2013, the District received a security assessment report for each school, which was completed by the Stafford Resident Troopers' Office in conjunction with the Connecticut State Police and Office of Counter Terrorism. Due to the nature of the expenditure (security needs) the district cannot go into great detail.

The district has begun to budget funds to address the needs as outlined in that assessment. These needs include additional security cameras at each school, security upgrades of some of the entrances/exits, infrastructure improvements to driveways, and other measures. The \$25,000 budgeted will be used to begin to address these needs.

In addition, the district is preparing to submit an application for the second round of Security Grant Funds proposed by the Governor and currently under review and discussion in the legislature. The district plans to request funds to address all of our needs. The grant is a matching grant, so the district and/or Town will be required to provide the funds to cover approximately half of the grant; the funding formula has not yet been determined by the State. Once the district has been informed whether it has been awarded grant funds and the actual amount of the grant award, it is likely that the district will request an additional appropriation from the Town at that time.

In closing, during the First Public Hearing on Monday, March 10, 2014, a community member raised concerns about the number of current Board of Education employees. A review of district reports and the Stafford, Connecticut, CERC Town Profile 2013 (www.cerc.com) indicates the following:

- Town of Stafford is among the top five major employers. Johnson Memorial Hospital, TTM Technologies, 3M, and Big Y are the other four major employers in Stafford;
- Of the Board of Education's 333 current, regular employees, 173 or 52% are Stafford residents. This figure does not include Stafford residents who serve as substitutes, tutors and coaches;
- Sixteen (16) of the BOE employees work for the Food Services Program, which is self-supporting. Wages for these FSP workers are not funded by the taxpayers; and
- Of the 317 remaining current BOE employees, 35 work less than full time. Thirty (30) of the 35 employees, who work less than full time, do not receive benefits. Additionally, one employee works at St. Edward School and a second employee is shared with the Town.

The CERC Town Profile is attached.

Finally, in response to the Board of Finance's request, memorandums regarding budget transfers in excess of \$20,000 will be emailed to Lori Parrow, Secretary. Additionally, monthly financial reports will be forwarded to Lisa Baxter, Chief Financial Officer.