

BOARD OF FINANCE, REGULAR MEETING
3 Primrose Street, Newtown - Newtown Municipal Center
Thursday, February 15, 2024 at 7:30 p.m.

These minutes are subject to approval by the Board of Finance

PRESENT: James Gaston, Steve Goodridge John Fletcher, Bryce Chinault, Janette Lamoureaux, Barney Molloy,

ALSO PRESENT: First Selectman Jeff Capeci, Finance Director Robert Tait, Superintendent Chris Melillo, Director of Business Tanja Vadas, Board of Education Chair Allison Plant, Director of Public Works Fred Hurley and ten members of the public

Chair James Gaston called the meeting to order at 7:32 p.m. Attendees saluted the American Flag.

Communications: J. Gaston reminded the board not to comment via email as it is a violation of FOI and subject to a fine. He would like the backup material sent with the agenda when filed with the Town Clerk's office. The budget dates are Feb. 21, Feb. 22 and Feb. 26; the Board of Finance has until March 14 to present to Legislative Council. Mr. Gaston received information from Chief Kullgren relative to staffing; they will attend a Board of Finance meeting to present their budget request The C.H. Booth Library will present on Feb. 26.

Minutes: J. Fletcher moved to accept the minutes of the regular meeting of January 25, 2024. S. Goodridge seconded. All in favor.

First Selectman's Report: Four candidates were interviewed for the Finance Director position; second interviews will include the search committee. Dispatch negotiations have begun.

Finance Director's Report: none.

New Business

Discussion & Possible Action:

1. **Board of Education 24/25 Budget Presentation:** Director of Business Tanya Vadas, Superintendent Chris Melillo and Chair Allison Plante were present to discuss the Board of Education proposed budget (att.). Salaries, benefits, increases in insurance, supplies and building & site maintenance projects drive the increase. They will return on February 26 to further discuss the BOE budget. The board was directed to email questions to J. Gaston and he will forward to BOE Chair Allison Plante. J. Fletcher asked about the Board of Education increase over the Superintendents request. The Dean of Student positions were added by the Board of Education. Additional BCBA (Board Certified Behavior Analyst) were added for behavioral issues Also, the BOE felt strongly about increases the security guards wage. B. Chinault asked if the district has engaged at the state level. Superintendent Melillo has had conversations with Senator Hwang and said the state puts the burden on the municipality in order to cut taxes at the state level. Structural core is around content, teachers and providing them with materials and engaging students. There has been an increase vocabulary, better fluency and more engagement. Students lack social and emotional skills. The self-funded health plan is underfunded. Mr. Tait explained the Town went self-funded fifteen years ago. The fund beat inflation 12 years; over the last two years there have been twelve large claims. There was a healthy fund balance until last year. 5.59% is higher than the rate of inflation. J. Fletcher asked about the increase in maintenance. Mr. Tait said the BOE has to put maintenance in the budget; it goes through the process and transfers to capital non-recurring are made. Technology was funded partially by capital non-recurring. T. Vadas said the BOF makes the recommendation to transfer funds to the Town capital non-recurring. Superintendent Melillo said it's

better to have the Town fund the capital non-recurring so it does not affect the MBR (Minimum Budget Requirement). Enrollment at elementary level has risen due to influx of residents since Covid. Relative to staffing, certain positions are hard to come by and there is a shortage of educators nationwide. The Excess Cost Grant is based on a projection. S. Goodridge said the strategic plan for the school system going forward has changed. The last few years the increase was over \$10 million. Fourteen years in a row enrollment has declined but the number of teachers has increased. He would like more data on the strategic plan. Superintendent Melillo suspects test scores will increase. The ratio of number of teachers vs. number of students isn't cut and dry. There are many types of programming that must be provided, by law, to students. There are developmental delays to address. The budget invests in curriculum and summer school programming. Dean of Students will allow Principals to be academic instructional leaders, helping students to grow past one year at a time. B. Chinault noted we seem to be below the DRG despite the increase in teachers and programming. Superintendent Melillo said the DRG model was put into play in 2006; it was the last time the State of CT did a DRG analysis on any town in CT. Outside organizations have done calculations; Newtown is technically a DRG3. Our needs are greater due to socio-economic needs and a more diverse populations. The job is to create a budget that will meet the needs of the students. Textbooks have increased exponentially. A. Plante wants to work collaboratively with the boards through the process. End 1:22:00

2. **Board of Selectmen 24/25 Budget Presentation:** First Selectman Capeci and Mr. Tait were present to discuss the Board of Selectmen proposed budget (att.). The Board of Selectmen proposed budget represents an increase of \$1,308,366 or 2.75%. Taking out debt service and transfer to capital and non-recurring the First Selectman budget represents an increase of 4.34%. The budget is a same service budget. Mr. Tait explained the layout of the budget book. The medical self-insurance fund is increased by 9%. Page 26 of the budget book shows 17 years of budget history for both Town and Board of Education. Pg. 27 includes information on the taxable net grand list and page 53 shows the preliminary mill rate calculation. B. Molloy asked about Land Use review of applications. Do we need to have legislation to shift cost to the applicant for third party review? Mr. Tait suggested talking to the Director and Town counsel. Mr. Gaston thinks there is a zoning overlay to it. The increase in the Economic Development salaries is for the assistant, who was woefully underpaid. There were sufficient monies in the line item for the Director as the position was vacant. Mr. Tait will provide a sheet with current budget with current mil rate, additional amounts added and deducted that will show the impact on the mill rate. The Town and Board of Education in the same boat with contractual increases. Mr. Hurley was present to talk about the increase in the repair and maintenance budget. Increases are due to increases in anything metal. Mr. Hurley will provide electric budget information. Fees and professional services increase is relative to GPS.

First Selectman Capeci explained that CTR withdrew their proposal. The program was more accepted by the Legislative Council members at the last meeting. Mr. Capeci spoke with CTR to explain it was well received and hopes they reconsiders.

3. **C.H. Booth Library Presentation:** The Library will present at the meeting of February 26.
4. **Grant Acceptance SS4A (Safe Streets and Roads for All) grant:** Mr. Hurley reported this is a DOT Federal Grant of \$80,000 with a town match of \$20,000, under the highway budget, contractual, under safety improvements. It is for an action plan to be developed in town to include the health department and the Board of Education. It can be anything from mental health programs working with teenagers to avoid suicide involving cars, to traffic cameras. It can be a number of different things; community members coming together to prevent motor vehicle fatalities. No impact on the budget as it was already anticipated. B. Molloy asked if this grant can piggy back on ticketing cameras. Mr. Hurley said there is a regional planning agency

that also has money under this grant; some things can dovetail with projects they have already identified. Accepting the grant will not bind the town for future costs.

J. Fletcher moved to accept the Safe streets and Roads for All grant in the amount of \$80,000. B. Chinault seconded. All in favor.

Voter Comments: none.

Announcements: none.

Adjournment: Having no further business the regular Board of Finance meeting adjourned at 9:39 p.m.

Att.: BOE 2024-2025 budget presentation; Selectmen 2024-2025 budget presentation; SS4A grant

Respectfully submitted,
Susan Marcinek, Clerk pro tem



Newtown Public Schools **Board of Education** **2024-2025** **Operational Plan**



PROPOSED BUDGET **2024-2025**



Alison Plante, Chair

John Vouros, Vice Chair

Don Ramsey, Secretary

Todd Higgins

Shannon Tomai

Christopher Gilson

Doria Linnetz

Christopher Melillo ~ Superintendent of Schools
Anne Uberti ~ Assistant Superintendent of Schools

Tanja Vadas
*Director,
 Business & Finance*

Deborah Mailloux-Petersen
*Director,
 Pupil Services*

Kara DiBartolo
*Director,
 Teaching & Learning*

John Barlow
Director, Operations

Dennis Colclough
Director, Technology

Mark Pompano
Director, Security

Suzanne D'Eramo
*Director,
 Human Resources*

Michelle Hiscavich
*Director,
 Performing & Fine Arts*

INVESTING IN OUR STUDENTS



OUR MISSION

The mission of the Newtown Public Schools,
a partnership of students, families, educators and community,
is to **INSPIRE EACH STUDENT TO EXCEL**
in attaining and applying the knowledge, skills and attributes
that lead to personal success
while becoming a contributing member of a dynamic global community.

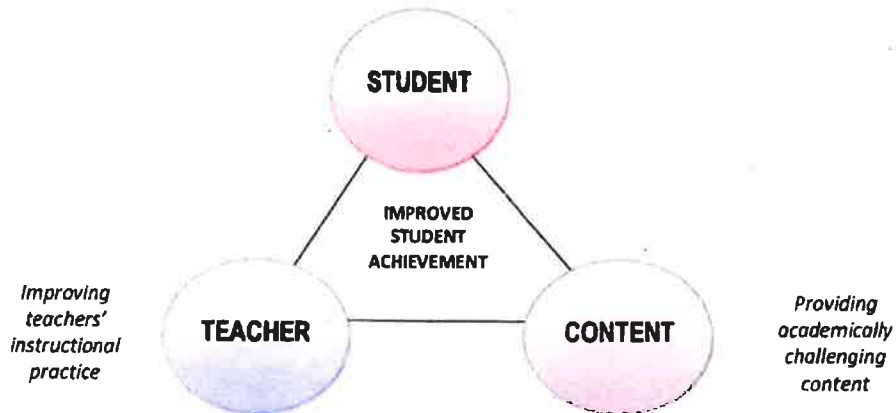
We accomplish this by creating
an unparalleled learning environment characterized by

- High expectations · Quality instruction ·
- Continuous improvement · Civic responsibility ·



THE INSTRUCTIONAL CORE

*Engaging students
in the learning
process*



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OUR STRATEGIC PLAN

- 01** Ensure Stimulating, Engaging, and Challenging Learning Opportunities Tailored to the Individual Needs of Students
- 02** Prepare Students to Thrive Post-graduation
- 03** Hire, Retain, and Develop a Diverse and Exceptional Faculty and Staff
- 04** Strengthen District, Family, and Community Partnership

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Strategic Priority #1: Ensure Stimulating, Engaging, and Challenging Learning Opportunities

Innovative Curriculum to Engage Our Students

- Expansion of new reading curriculum to Grades 6-8
- Curriculum enhancement to better meet the evolving needs of students, align with up-to-date knowledge and skills, and foster a more engaging and effective learning experience
- Implementing a Kindergarten Readiness pilot program
- Purchasing of new world language programs at NHS and NMS

Professional Development to Enhance Instruction

- Professional development for new reading curriculum for Grades 6-8
- Continued professional learning and supplemental materials for new K-5 reading program
- Facilitating curriculum and planning committees (PDEC, Curriculum Council, Elementary Cross Grade Level Meetings)
- Delivering DEAI professional learning opportunities across the district
- Offering Grades 5-8 Inquiry training for science and social studies teachers

Student Supports across Academic and Social-Emotional Needs

- Providing multiple tiers of academic support (MTSS) for students needing support
- Addressing student behaviors with Dean of Student positions at NMS and NHS
- Building teacher capacity with Board Certified Behavior Analyst (BCBA) at the elementary level
- Expanding summer school programs to address diverse student needs (academic enrichment and social-emotional support)
- Expansion of career pathways (grant-funded)

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Strategic Priority #2: Prepare Students for Life Beyond Graduation

- **Enhancing professional learning on the Portrait of the Graduate** at Newtown High School to provide educators opportunities for skill development, collaboration, and reflection to align instructional practices with the school's vision
- **Offering students the opportunity to visit colleges and universities** provides them with first hand exposure to campus life, academic programs, and the overall collegiate experience
- **Career Days at NMS and NHS** which allow students to explore diverse career paths through interactive workshops and networking opportunities
- **Expanding dual-enrollment courses** to provide students with early exposure to higher education and a head start on their academic and career pathways (grant-funded)
- **Offering more clubs and activities** to enrich educational experiences, leadership qualities, and interpersonal skills
- **Strong commitment to the fine arts**
- **Supporting internships at NHS** to provide students with professional exposure, established by forging meaningful partnerships with local businesses and organizations
- **Supporting career readiness projects** such as the Newtown High School food truck project enhances students' practical skills, entrepreneurial mindset, and readiness for future employment opportunities.

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Strategic Priority #3:

Hire, Retain, and Develop a Diverse and Exceptional Faculty and Staff

- **Train hiring committees** to ensure fair evaluations and reviews
- **Require support and training for new teachers**
- **Create mentorship programs** to encourage staff growth
- **Continue to enhance orientation protocols and training** for support staff
- **Hiring, Retention and Development Plan** for paraprofessionals and job coaches
- **Provide robust professional learning opportunities** to teaching and support staff for continuous learning, growth
- **Attend various career fairs** to compete for the very best candidates
- **Develop an Increasing Education Diversity Plan and Committee**
- **Increase security guard wage** to ensure we can hire the best talent and increase diversity

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Strategic Priority #4:

Strengthen District, Family, and Community Partnership

- **Establish clear and consistent communication channels** between the school district, families, and the community by utilizing newsletters, websites, and social media
- **Actively involve parents and community members** in community forums where diverse perspectives can be shared and considered
- **Enhance website design**
- **Upgrade the school district's messaging software** to a more streamlined and efficient platform that will lead to improved engagement and information dissemination between educators, parents, and the community
- **Develop community partnerships** through programming that incorporates career pathways
- **Supporting internships at NHS** by forging meaningful partnerships with local businesses and organizations to provide students with professional experience

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The 2024-2025 Budget: A Closer Look



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Numerous Fiscal Challenges...

Rising Cost of Benefits

Contractual Increases

Aging Facilities

Inflationary Environment

Unfunded State Mandates

Lingering Effects of
Interrupted Learning

Fiscal Cliff



...but a need to invest in instruction.

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Budget Drivers

Major Object	\$ Increase
Salaries	\$1,978,394
Benefits	\$995,194
Supplies	\$721,700
Purchased Property Services	\$587,073
Other Purchased Services	\$240,208
Property and Equipment	\$148,063

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OBJECT SUMMARY



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SALARIES AND BENEFITS

Contractual Salary Increases

Salaries are expected to increase by 3.58%. This equates to \$1,978,394 and represents 41.59% of the total budget increase.

- Teachers Union will receive 1.50% and 2.0% for top step only
- Administrator Union will receive a 2.75% wage increase
- Custodial and Maintenance Union will receive 3.0% wage increase
- Educational Personnel Union (Secretaries) will receive 3.0% wage increase.
- Nurses union will be undergoing negotiations.
- Paraeducator Union will receive 2.0% with step movement.

Benefits

Benefits are expected to increase by 7.78%. This equates to \$995,194 and represents 20.92% of the total budget increase.

- Medical & Dental self funded health insurance are expected increase by \$847,816 or just under 9%.
- Pensions are expected to increase by \$46,173 or 4.84%. This increase comes primarily from our defined contribution or 401(a) plan.
- FICA & Medicare expenses are expected increase by \$84,538 or 4.97%
- Other accounts include premiums & fees, life insurance, tuition reimbursement, unemployment, workers compensation and employee assistance program all of which account for a total increase of \$16,667

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SUPPLIES

Supplies are expected to increase by 22.72%. This equates to \$721,700 and represents 15.17% of the budget increase.

Drivers behind this increase include:

- Textbooks are requiring \$598,530 or 12.58% of the total increase.
- This area was subject to a reduction initiated by the Legislative Council during our budget process last year. In order to accommodate this adjustment, the BOE had to pre-purchase \$220,183 worth of materials.
- Instructional and office supplies are expected to increase by \$130,511 or 2.74% of the requested increase. Similar to textbooks, \$27,187 was pre-purchased to fulfill a portion of the Legislative Council's reduction and \$65,000 was reduced by the superintendent.
- The increase in these two areas represents the reinstatement of spending levels plus educational enhancements and anticipated needs.

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PURCHASED PROPERTY SERVICES DRIVERS

This area of the budget is expected to increase by \$587,073 and makes up 12.34% of the requested budget increase.

Drivers behind this increase include:

- Building & Site Maintenance Projects request at **\$455,911**
 - These projects occur each year as repair and replacements are required to maintain all of our schools. Costs for these projects typically average ~\$500,000.
 - For the past several years, the Town has funded these projects in full (with the exception of the current year that was reduced by the Board of Finance by \$185,000).

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OTHER PURCHASED SERVICES

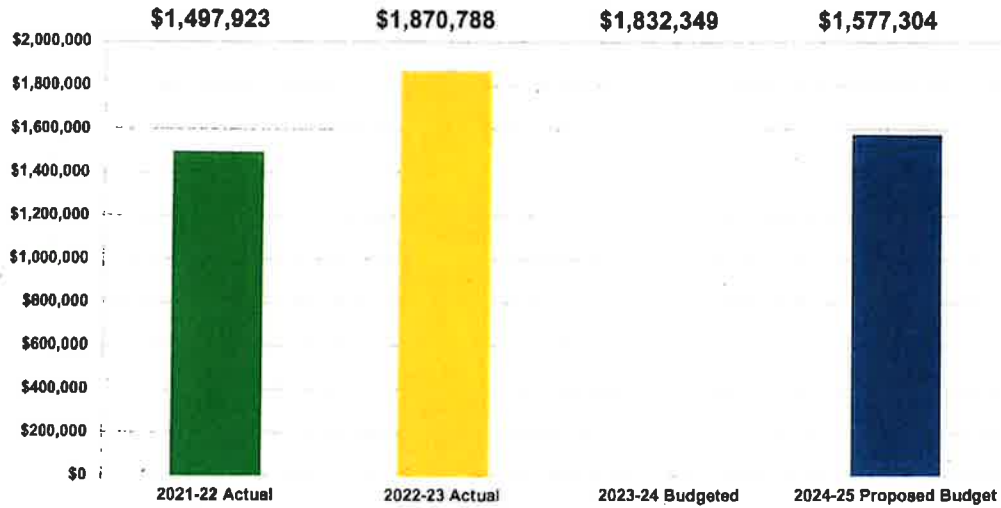
This area of the budget is expected to increase by \$240,208 and makes up 5.05% of the requested budget increase.

Drivers behind this increase include:

- Transportation is expected to increase by \$222,747 increasing by 4.54% over the current year.
 - 2024-25 will be the third year of a five year contract for our local in-district transportation. The main in-district portion of this contract calls for an increase of 3.88%
 - Out-of-district transportation is expected to increase by \$19,971. This increase is based on the number of vehicles required for our special education students that require education outside of NPS. EdAdvance provides transportation for many of these students and we are in our final year of a five year contract with them.

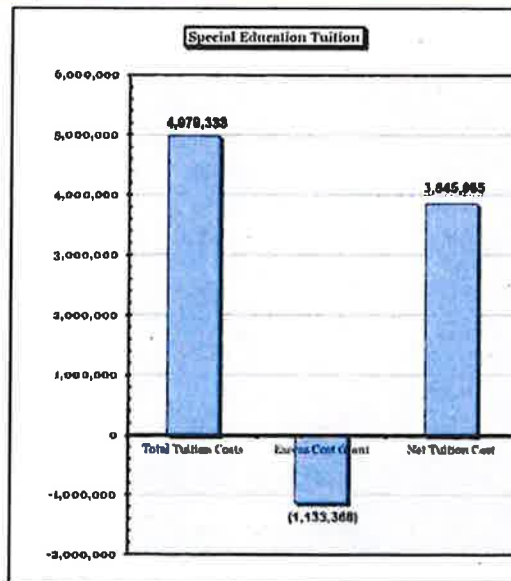
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Special Education - Excess Cost Grant



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SPECIAL EDUCATION TUITION – IN AGGREGATE



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2024-25 BOARD OF EDUCATION OPERATIONAL REQUEST

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BUDGET REDUCTIONS



Administrators' Initial Budget Requests	\$90,114,977	5.93%
Superintendent's Total Budget Reduction	-\$796,935	-0.94%
Superintendent's Requested Operational Plan	\$89,318,042	4.99%
Board of Education's Requested Operational Plan	\$89,826,756	5.59%

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BOARD OF EDUCATION BUDGET – MAJOR OBJECTS 2024-2025

MAJOR OBJECT	2024-25 REQUEST	\$ INCREASE	% INCREASE
Salaries	\$57,255,763	\$1,978,394	3.58%
Employee Benefits	\$13,792,372	\$995,194	7.78%
Purchased Professional Services	\$678,730	\$81,307	13.61%
Purchased Property Services*	\$2,395,055	\$587,073	32.47%
Other Purchased Services	\$11,097,142	\$240,208	2.21%
Supplies*	\$3,897,910	\$721,700	22.72%
Property & Equipment*	\$528,707	\$148,063	38.90%
Other Objects	\$81,077	\$5,166	6.81%
Special Education Contingency	\$100,000	\$0	0.00%
TOTAL OPERATING BUDGET	\$89,826,756	\$4,757,105	5.59%

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STAFFING ALLOCATIONS



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Certified Staffing Requests – Additions

Certified Staff	Position	F.T.E.	Salary
Head O'Meadow	Classroom Teacher	1.00	\$67,139
Middle School	Dean of Students	1.00	\$72,510
High School	Dean of Students	1.00	\$73,853
Special Education	BCBA	1.00	\$75,000
Pupil Personnel	Social Worker	0.15	\$12,595

Total Additions 4.15 \$301,097

Certified Staffing Requests – Reductions

Certified Staff	Position	F.T.E.	Salary
Sandy Hook	Classroom Teacher	-1.00	-\$67,139
High School	Classroom Teacher	-2.00	-\$134,278

Total Reductions -3.00 - \$201,417

Net Change Certified 1.15 \$99,680

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Non-Certified Additions to Staff

Non-Certified Staff Position		F.T.E.	Salary
Hawley	Increase in Hours	0.20	\$5,433
Sandy Hook	Increase in Hours	0.20	\$5,433
Middle Gate	Increase in Hours	0.20	\$5,433
Head O'Meadow	Increase in Hours	0.20	\$5,433
NHS	Athletic Trainer	0.50	\$29,428

Total Additions 1.30 \$51,160

Non Certified Reductions in Staffing

Non-Certified Staff Position		F.T.E.	Salary
NMS	Para	-0.93	-\$22,886
NHS	Para	-0.29	-\$6,175

Total Reductions -1.22 -\$29,061

Net Change Non-Certified 0.08 \$22,099

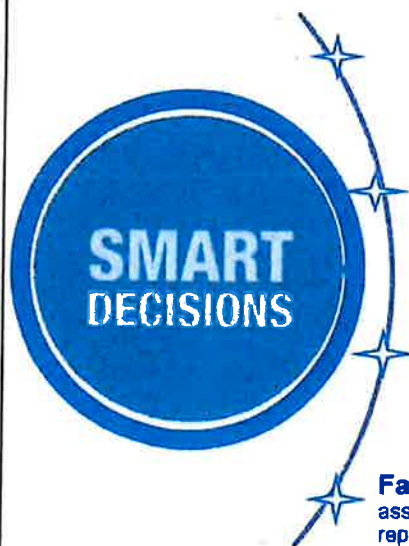
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Total

	F.T.E.	Salary
Net Change Certified	1.15	\$99,680
Net Change Non-Certified	0.08	\$22,099
TOTAL DISTRICT CHANGE	1.23	\$121,779

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Benefits – due to the restructuring of our plan, a decision that was made years ago, we've been able to self-sustain a reasonable balance in our medical fund, mitigating the rising costs and unpredictable fluctuations inherent in traditional insurance plans.

Utilities - although energy costs are always on the rise, through diligence and collaborative efforts, we have maintained a level of certainty & stability for our District with competitive third-party pricing for electricity. Procuring our energy combined with the implementation of the virtual net metering program, we have been able to mitigate the large spikes as seen in the market.

Clean Energy for Transportation – Upgrading the school district's transportation fleet to propane offers environmental advantages by reducing emissions and cost benefits through a more economical fuel option.

Facilities— A school district's investment in a facilities study offers a comprehensive assessment of current educational infrastructure, guiding strategic resource allocation for repairs, improvements, and expansions.

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BUDGET RECAP

Budget increase request is **5.59%**



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STUDENT ENROLLMENT & SUPPORTING DATA



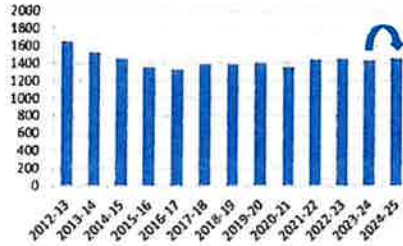
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ENROLLMENT OVERVIEW

In District Enrollment
2023-24 actual: **3,902**
2024-25 projected: **3,894**

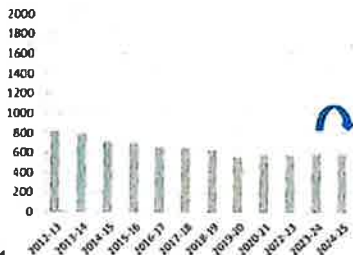
PK-4 **+20**

-8 decrease overall

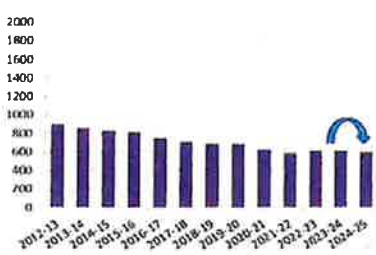


Hawley	280
Sandy Hook	348
Middle Gate	428
Head O'Meadow	331
PreK	57

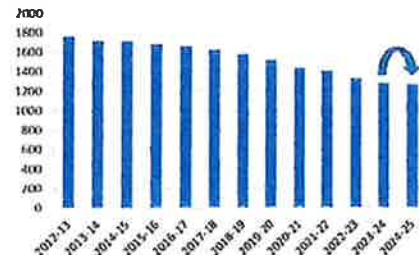
Reed Intermediate **0**



Middle School **-20**



High School **-8**



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Newtown High School
Ranked 36 in Connecticut
Top 9% Nationally



Newtown Middle School
Ranked 72 in Connecticut
Top 13% in Connecticut



Athletic Department
Michael's Cup Sportsmanship Award



18th Best School District in Connecticut



Hawley School
Connecticut Department of Education
School of Distinction



Head O' Meadow School
Connecticut Department of Education
School of Distinction



Sandy Hook School
Connecticut Department of Education
School of Distinction



Newtown Public Schools
NAMM Foundation
Best for Music Education

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A Budget Commitment



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BOARD OF SELECTMEN PROPOSED 2024-25 BUDGET PRESENTATION

BOARD OF SELECTMEN PROPOSED 2024-25 BUDGET:

- Board of Selectmen proposed budget represents an increase of \$1,308,366 or 2.75% over the 2023-24 adopted budget.
 - Taking out debt service and transfer to capital and non-recurring the First Selectman budget represents an increase of 4.34%
- Following pages explain these increases by object (salaries, benefits, insurance, operating, capital, etc.)

BOARD OF SELECTMEN PROPOSED 2024-25 BUDGET PRESENTATION

SUMMARY OF EXPENDITURES by Object									
	2023 - 2024			2024 - 2025 BUDGET					
	ADOPTED	AMENDED	12/31 ACTUAL	1st SELECTMAN PROPOSED	BOS PROPOSED	BOF RECOMMENDED	LC ADOPTED	Increase / (Decrease)	Percent Change
MUNICIPAL SERVICES	B				A			A - B	
WAGES & SALARIES	13,729,837	13,714,681	6,954,686	14,270,660	14,250,521	-	-	520,683	3.79%
FRINGE BENEFITS	6,815,019	6,901,070	5,787,527	7,308,940	7,306,919	-	-	491,900	7.22%
INSURANCE	1,125,000	1,125,000	823,656	1,165,000	1,165,000	-	-	40,000	3.56%
OPERATING EXPENSES	8,492,675	8,525,299	4,611,075	8,730,377	8,730,377	-	-	237,702	2.80%
CAPITAL	3,494,256	3,494,256	2,918,425	3,686,706	3,686,706	-	-	192,450	5.51%
CONTINGENCY	115,000	97,280	-	115,000	115,000	-	-	-	0.00%
CONTRIBUTIONS TO OUTSIDE AGENCIES:									
TOWN AGENCIES	2,445,146	2,453,952	1,725,865	2,640,673	2,640,673	-	-	195,527	8.00%
OTHER AGENCIES	113,645	113,645	113,395	113,895	113,895	-	-	250	0.22%
TOTAL MUNICIPAL SERVICES	36,330,578	36,425,183	22,934,629	38,031,250	38,009,090	-	-	1,678,512	4.62%
CAPITAL FINANCING - DEBT SERVICE	9,799,232	9,799,232	5,450,204	9,825,416	9,825,416	-	-	26,184	0.27%
TRANSFER OUT TO CAP & NON RECURRING AND OTHER FUNDS	1,396,330	1,301,725	1,300,180	1,000,000	1,000,000	-	-	(396,330)	-28.38%
TOTAL BOARD OF SELECTMEN BUDGET	47,526,140	47,526,140	29,685,013	48,856,666	48,834,506	-	-	1,308,366	2.75%

BOARD OF SELECTMEN PROPOSED 2024-25 BUDGET PRESENTATION

EXPENDITURES - Wages & Salaries

The budget for 2024 – 2025 includes contractual increases for union employees (including step increases for police officers) and increases for non union employees. Wages and salaries increased \$520,683 or 3.79% (compared with prior year adopted). This represents mainly a combination of wage increases, step increases and some salary enhancements.

Current contracts call for the following increases for unionized full-time employees (** contract to be negotiated):

Bargaining Unit

	<u>Contract Expiration</u>	<u>Wage Increase</u>
The Newtown Town Hall Employees, Nutmeg Independent Labor Union	June 30, 2026	2.93% (average)
The Newtown Public Works Employees, Nutmeg Independent Labor Union	June 30, 2025	2.99% Negotiated
Newtown Parks & Recreation Employees, Nutmeg Independent Labor Union	June 30, 2026	2.84% (average)
Newtown Police, Nutmeg Independent Labor Union	June 30, 2024	2.93% Estimate ***
Newtown Emergency Tele-communicator and Police Clerical ' Nutmeg Independent Labor Unions	June 30, 2024	2.93% Estimate ***

Non union employees

The non union employee salaries in this budget reflect an increase of : 2.93%.

BOARD OF SELECTMEN PROPOSED 2024-25 BUDGET PRESENTATION

EXPENDITURES - Continued

Fringe Benefits

Fringe benefits increased \$491,900 or 7.22%. Fringe benefits represent the cost of employee health insurance, life insurance, long term disability insurance, pension benefits, defined contribution retirement plans and the employer's share of social security. These costs are allocated amongst the departments. Medical benefits, the major fringe benefit, have increased 9% due to medical claims experience in the medical self-insurance fund. Pension contributions have increased 1.3% due to positive investment experience in the pension fund plus the effect of new employees entering the defined contribution plan (the Town pension plan is closed to new employees)

Insurance

Insurance has increased \$40,000 or 3.56%. Insurance represents the cost of the liability-auto-property (LAP) and workers' compensation (WC) policies. The Town (BOS & BOE) works closely with the Connecticut Inter-local Risk Management Agency (CIRMA) to manage our risks.

Operating Expenses

Operating expenses have increased by \$237,702 or 2.80%. Operating expenses represent non payroll operating expenditures such as utilities, building maintenance, supplies, contractual services, vehicle maintenance, training and continuing education, fees and professional services, equipment fuel and miscellaneous expenses. Increase is mainly due to an increased cost in emergency medical services, registrar costs due to early voting mandate, and other increases due to inflationary pressures.

Capital

Capital has increased by \$192,450 or 5.51%. Capital represents expenditures of items with a useful life of more than one year, such as infrastructure, roads, motor vehicles, construction equipment, computers and office equipment. The increase is mainly due an increase in the roads account. Due to the condition of roads, a plan was put into place to increase the capital road account each year by \$250,000 until the account reaches \$3,000,000. 2014-15 was the first fiscal year of this plan. The Town has reached that goal. The road account is up to \$3,100,000 (in this budget) representing a \$100,000 increase.

BOARD OF SELECTMEN PROPOSED 2024-25 BUDGET PRESENTATION

EXPENDITURES - Continued

Contingency

The contingency account is established to provide for unforeseen costs that might arise during the year. There are no expenditures in this account, only budget (appropriation) transfers to other budget accounts. The contingency amount for 2024-25 has remained the same.

Contributions to Outside Agencies – Town Agencies

Contributions to Town agencies has increased by \$195,527 or 8.00 %.

Town agencies include: Town Hall Board of Managers; Cyrenius H. Booth Library; Newtown Youth & Family Services; Newtown Health District; Children's Adventure Center and the District Probate Court. The increase is mainly due to library contributions (due to a major budget cut in the prior year) and an increase in health benefits for those agencies participating in the town medical plan.

Contributions to Outside Agencies – Other Agencies

Contributions to other agencies has increased \$250.

Capital Financing – Debt Service

The annual appropriation for debt service is planned and determined by the Town's Capital Improvement Program (CIP). Planned projects still need to go thru the special appropriation process to move forward. The CIP covering fiscal years 2024 – 2025 thru 2028 – 2029 has planned \$67,675,000 (\$44,355,000 to be bonded) towards Newtown's capital infrastructure over the next five years. While the CIP continues the long term commitment to the Town's capital needs, it also reflects the economic challenges currently facing the Town. The CIP ensures the funding of necessary capital items while keeping the debt service budget at appropriate levels. Debt service has increased \$26,184 or 0.27% due to a reduction in the current debt service schedule offset by a new bond issue in March 2023 and the application of debt service (fund) funds. The debt service amount remains under the 9.0% budget cap established in the Town debt service policy. The goal of 8.5% by 07/01/2023 has been met. See page 299 for the current CIP plan.

BOARD OF SELECTMEN PROPOSED 2024-25 BUDGET PRESENTATION

Reserve Cap & Non Recurring: The requested \$ 1,000,000 comprises the following:

Description		
INFORMATION TECHNOLOGY		
IT storage equipment		25,000
Convert to ADP payroll services		65,000
	Dept Total	90,000
FIRE		
Personal protective equipment		150,000
HIGHWAY		
New all-season body replacement		110,000
Frame rail replacement for dump truck		85,000
	Dept Total	195,000
PUBLIC BUILDING MAINTENANCE		
PW camera upgrade		35,000
PARKS & RECREATION:		
Skid steer		87,000
Toro lease to own		38,500
		125,500
BOARD OF EDUCATION:		
BOE building & site maintenance projects		
BOE technology equipment		
	Dept Total	
	TOTAL DESIGNATED	595,500
UNDESIGNATED		404,500
	GRAND TOTAL	1,000,000

BOARD OF SELECTMEN PROPOSED 2024-25 BUDGET PRESENTATION

Note:

Department capital requests suggested for ARPA amendments:

- Amend current transfer station project: (2) 40CY & (2) 4CY waste containers for \$35,000
- Amend Dickinson park project: complete bathroom renovations for \$50,000

Finance Director will introduce the combined 2024-25 BOS/BOE Town budget showing (initial) budgeted revenues and budgeted expenditures.

FISCAL POLICY AND TRENDSADOPTED BUDGET ANALYSIS
2007-08 TO 2023-24

BOARD OF EDUCATION				BOARD OF SELECTMEN				TOTAL TOWN BUDGET		TAX RATE	
Fiscal Yr	BOE	%	BOS Operating	%	BOS Debt Sv	%	BOS Total	%	Total	%	Mill Rate
	Budget	Change	Budget	Change	Budget	Change	Budget	Change	Budget	Change	Rate
1 2023-24	85,069,651	3.57%	37,726,908	1.19%	9,799,232	1.96%	47,526,140	1.35%	132,595,791	2.77%	26.24
2 2022-23	82,134,639	3.06%	37,282,167	10.27% *	9,611,232	-1.03%	46,893,399	7.75%	129,028,038	4.71%	34.67
3 2021-22	79,697,698	1.33%	33,810,198	0.96%	9,711,658	2.38%	43,521,856	1.27%	123,219,554	1.31%	34.65
4 2020-21	78,651,776	0.70%	33,488,962	1.70%	9,485,797	2.56%	42,974,759	1.89%	121,626,535	1.12%	34.76
5 2019-20	78,104,410	2.70%	32,930,385	2.66%	9,249,118	2.88%	42,179,503	2.71%	120,283,913	2.70%	34.77
6 2018-19	76,054,231	2.31%	32,076,599	2.98%	8,990,368	0.60%	41,066,967	2.45%	117,121,198	2.35%	34.24
7 2017-18	74,340,674	0.92%	31,149,271	-0.14%	8,937,068	-4.17%	40,086,339	-1.06%	114,427,013	0.21%	33.87
8 2016-17	73,665,065	2.90%	31,191,840	3.85%	9,325,474	-7.73%	40,517,314	0.93%	114,182,379	2.19%	33.60
9 2015-16	71,587,946	0.34%	30,036,165	1.09%	10,106,402	-1.94%	40,142,567	0.31%	111,730,513	0.33%	33.07
10 2014-15	71,345,304	0.42%	29,712,212	2.58%	10,306,719	2.46%	40,018,931	2.55%	111,364,235	1.18%	33.31
11 2013-14	71,045,304	3.96%	28,965,599	4.45%	10,058,924	-0.01%	39,024,523	3.26%	110,069,827	3.72%	33.32
12 2012-13	68,335,794	0.54%	27,731,255	-1.35%	10,059,789	6.20%	37,791,044	0.55%	106,126,838	0.54%	24.54
13 2011-12	67,971,427	1.16%	28,111,255	1.13%	9,472,393	1.92%	37,583,648	1.33%	105,555,075	1.22%	24.37
14 2010-11	67,194,734	1.33%	27,795,856	3.63%	9,294,025	-4.90%	37,089,881	1.35%	104,284,615	1.34%	24.00
15 2009-10	66,314,928	0.43%	26,822,834	-6.41%	9,772,953	-9.28%	36,595,787	-7.20%	102,910,715	-2.42%	23.43
16 2008-09	66,031,044	5.00%	28,661,230	3.31%	10,772,170	15.74%	39,433,400	6.43%	105,464,444	5.53%	23.20
17 2007-08	62,885,158		27,743,436		9,307,283		37,050,719		99,935,877		28.10

* Amount includes \$2,300,000 transfer to capital & non-recurring. Increase without that = 3.47%.

TAXABLE NET GRAND LIST

A key aspect of Newtown's financial well being is the taxable net grand list. In order for Newtown to prosper the net taxable grand list has to grow consistently into the future. Growth in the net taxable grand list represents new home construction and more importantly new businesses. Growth in the net taxable grand list enables Newtown to invest in capital assets and maintain the current infrastructure (capital assets such as parks, roads, sewers, bridges, new municipal building, etc.) without having to create an extra tax burden on Newtown residents. A 1/10% increase in the net taxable grand list brings Newtown around \$120,000+ in new taxes, taxes that current residents do not have to bear. A 1% increase in the net taxable grand list brings Newtown around \$1,200,000+ in new taxes. Growth in the grand list enabled Newtown to invest in capital assets without putting an extra tax burden on the residents.

FISCAL POLICY & TRENDS

**TOWN OF NEWTOWN
NET TAXABLE GRAND LIST**

<u>LIST YEAR</u>	<u>FISCAL YEAR</u>	<u>NET ASSESSMENT *</u>	<u>% CHANGE</u>
2023**	2024-25	4,540,387,204	0.45%
2022	2023-24	4,520,035,830	REVAL YR
2021	2022-23	3,379,976,393	3.41%
2020	2021-22	3,268,632,706	1.15%
2019	2020-21	3,231,386,153	1.36%
2018	2019-20	3,188,091,905	1.13%
2017	2018-19	3,152,476,397	REVAL YR
2016	2017-18	3,112,856,918	0.95%
2015	2016-17	3,083,634,068	0.28%
2014	2015-16	3,075,079,581	0.73%
2013	2014-15	3,052,897,841	0.54%
2012	2013-14	3,037,193,295	REVAL YR
2011	2012-13	3,950,379,500	0.66%
2010	2011-12	3,924,509,385	0.42%
2009	2010-11	3,908,130,604	-0.08%
2008	2009-10	3,911,449,143	-0.04%
2007	2008-09	3,912,900,563	REVAL YR
2006	2007-08	3,042,109,216	

* State of CT M-13 Report.

** Before Board of Assessment Appeals

PRELIMINARY - MILL RATE CALCULATION - 2024 / 2025		
	REVAL	2023 Grand List
TOTAL NET TAXABLE ASSESSMENT (LESS EXEMPTIONS) Before Board of Assessment Appeals		4,540,387,204
		4,540,387,204
AMOUNT TO BE RAISED BY TAXATION - (from "current year taxes" - revenue budget)		122,031,817
TAX LEVY - assuming a tax collection rate of	99.3%	122,892,062
(Tax Levy = billed amount = Amount to be Raised by Taxation divided by Collection Rate)		
Add Tax Credits:		
* Newtown Elderly Tax Benefit (1,650,000 less 100,000 reserved)		1,450,000
* State Elderly Circuit Breaker Program		140,000
* Volunteer Fire, Ambulance and Underwater Rescue Personnel Tax Credit Program		223,000
ADJUSTED TAX LEVY		124,705,062
PRELIMINARY MILL RATE (= Tax Levy divided by (Taxable Net Assessment / 1,000))		27.47
PRELIMINARY EFFECTIVE TAX INCREASE		4.67%
	PRIOR YEAR MILL RATE =	26.24
	1 MILL =	4,474,378

**TOWN OF NEWTOWN
FINANCIAL IMPACT STATEMENT
(Per Town Charter 6-35(b), 6-40 & 7-25)**

REQUESTING DEPARTMENT PUBLIC WORKS

PROJECT: SAFE STREETS & ROADS FOR ALL - ACTION PLAN

PROPOSED APPROPRIATION AMOUNT: \$ 100,000

PROPOSED FUNDING:

BONDING	\$	-
GRANT	\$	80,000
LOCAL MATCH	\$	20,000
OTHER	\$	-
CONTINGENCY	\$	-
IN KIND	\$	-
	\$	<u>100,000</u>

ANNUAL FINANCIAL IMPACT ON OPERATING BUDGET (GENERAL FUND):

List any financial impact your request will have on the Town's annual operating budget.
Attach spreadsheet(s) showing your calculation of the estimated impact.

EXPENDITURE CATEGORY:	**FOR BRACKETS USE NEGATIVE SIGN BEFORE NUMBER**	(POSITIVE IMPACT) / NEGATIVE IMPACT	Attachment #
SALARIES & BENEFITS		***	
PROFESSIONAL SERVICES			
CONTRACTED SERVICES			
REPAIRS & MAINTENANCE			
UTILITIES			
OTHER			
DEBT SERVICE (average)	\$	-	
TOTAL IMPACT ON EXPENDITURES	\$	-	

REVENUE CATEGORY:	POSITIVE IMPACT / (NEGATIVE IMPACT)	Attachment #
PROPERTY TAXES		
CHARGES FOR SERVICES (FEES)		
OTHER		
TOTAL IMPACT ON REVENUES	\$	-

TOTAL FINANCIAL IMPACT ON OPERATING BUDGET \$ -

EQUIVALENT MILL RATE OF TOTAL IMPACT

(using current year's information)

0.0000 mills

COMMENTS:

There is no impact on the general fund. The Town match of \$20,000 is available and appropriated in the Highway budget under contractual services. After the acceptance and award of the grant and upon completion of the safe streets action plan the town may apply for an "implementation grant" and supplementals safety planning and / or safety demonstration activities.

PREPARED BY:



DATE: 1/23/2024