

Town of Somers

Annual Budget Public Hearing

Fiscal Year 2021-2022

April 20, 2021



Proposed FY 2021-2022 Annual Budget Public Hearing

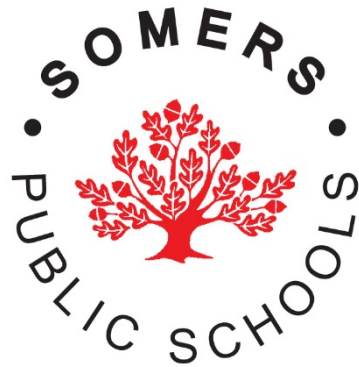
The Board of Finance thanks you for attending this evening's annual budget public hearing. We recognize that good, responsive, government depends on your interest and involvement. This evening's program will include the following presenters:

AGENDA

Welcome	Chairman, Board of Finance	Michael Parker
Board of Education	Superintendent of Schools	Brian P. Czapla
Board of Selectman	First Selectman	Bud Knorr
Revenue & Overall Budget	Chief Financial Officer	Michael Marinaccio
Public Comments	Chairman, Board of Finance	Michael Parker
Wrap Up	Assistant Finance Director	Brian Wissinger

Board of Education Budget

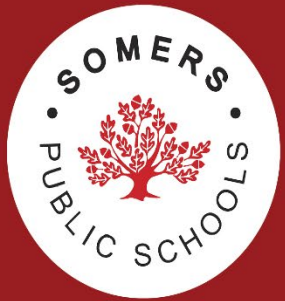
Brian P. Czapla, Superintendent



Somers Public Schools

Strategic Plan of Action

2019-2024



Moving Somers Forward

Full Report



Vision

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

Mission

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

Goals



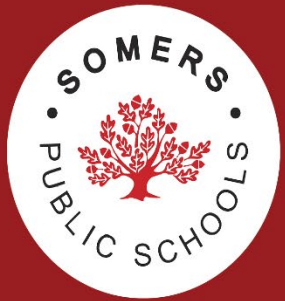
Goal 1: Student Achievement



Goal 2: Professional Learning



Goal 3: Accountability



Moving Somers Forward

Full Report



Budget Priorities

Increase student achievement and educational opportunities

Provide students with appropriate pupil support services

Continue to update and maintain safe facilities



2021-22 School Budget

Budget: \$25,239,742

Increase: \$549,772

% Increase: 2.23%

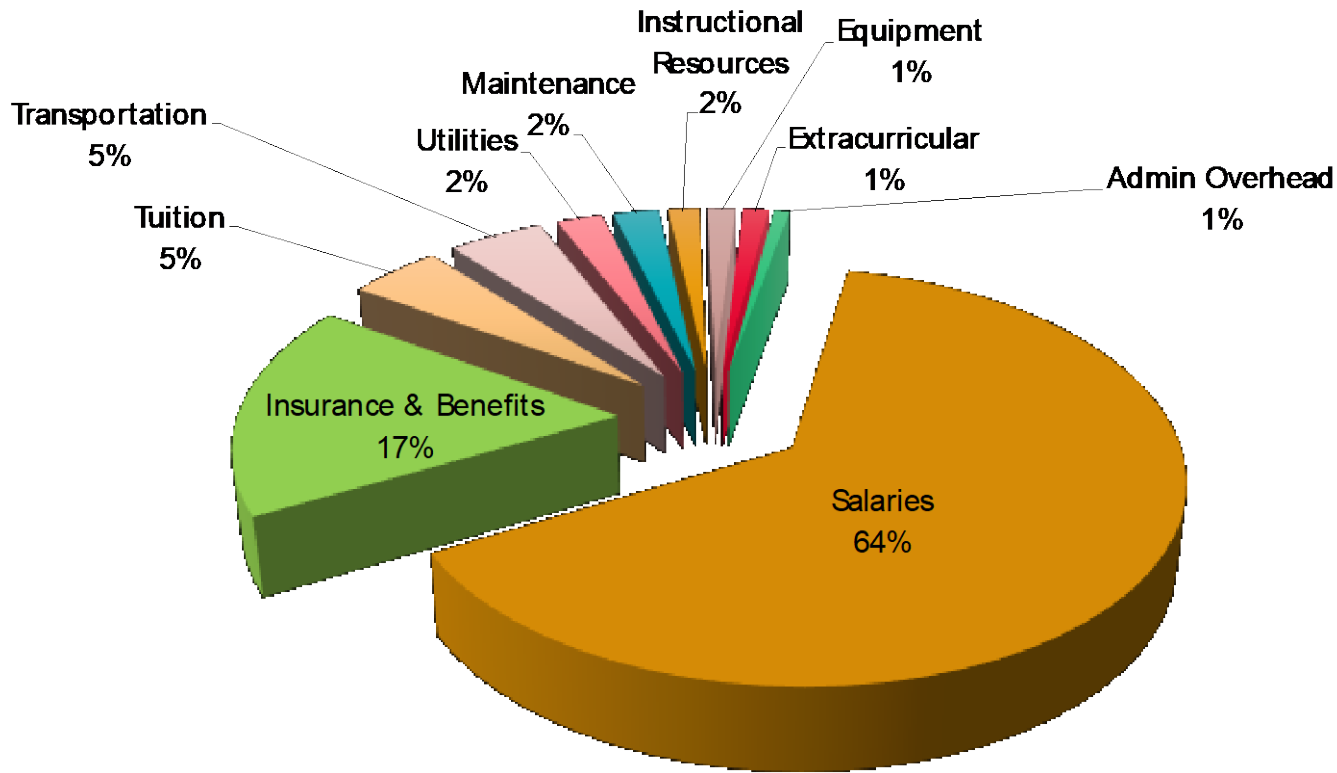


Budget Summary by Category

Category	Budget	Change	%
Salaries	\$16,364,770	\$578,476	3.66%
Insurance & Benefits	\$4,211,863	\$203,038	5.06%
Tuition	\$1,171,100	(\$6,000)	(0.51%)
Transportation	\$1,205,450	\$31,900	2.72%
Utilities	\$583,200	(\$38,400)	(6.18%)
Maintenance	\$576,733	\$23,018	4.16%
Instructional Resources	\$298,908	(\$149,362)	(33.32%)
Equipment	\$305,430	(\$66,110)	(17.79%)
Extracurricular	\$331,132	\$6,401	1.97%
Administrative Overhead	\$191,156	(\$33,189)	(14.79)%
TOTAL	\$25,239,742	\$549,772	2.23%



Budget Breakdown



Nondiscretionary	% of Budget
Salaries	64.5%
Insurance & Benefits	16.6%
Tuition	4.6%
Transportation	4.7%
Utilities	2.3%
Subtotal	92.7%

Discretionary	% of Budget
Maintenance	2.2%
Instructional Resources	1.5%
Equipment	1.4%
Extracurricular	1.3%
Administrative Overhead	0.8%
Subtotal	7.3%



Budget History

School Year 2021-22

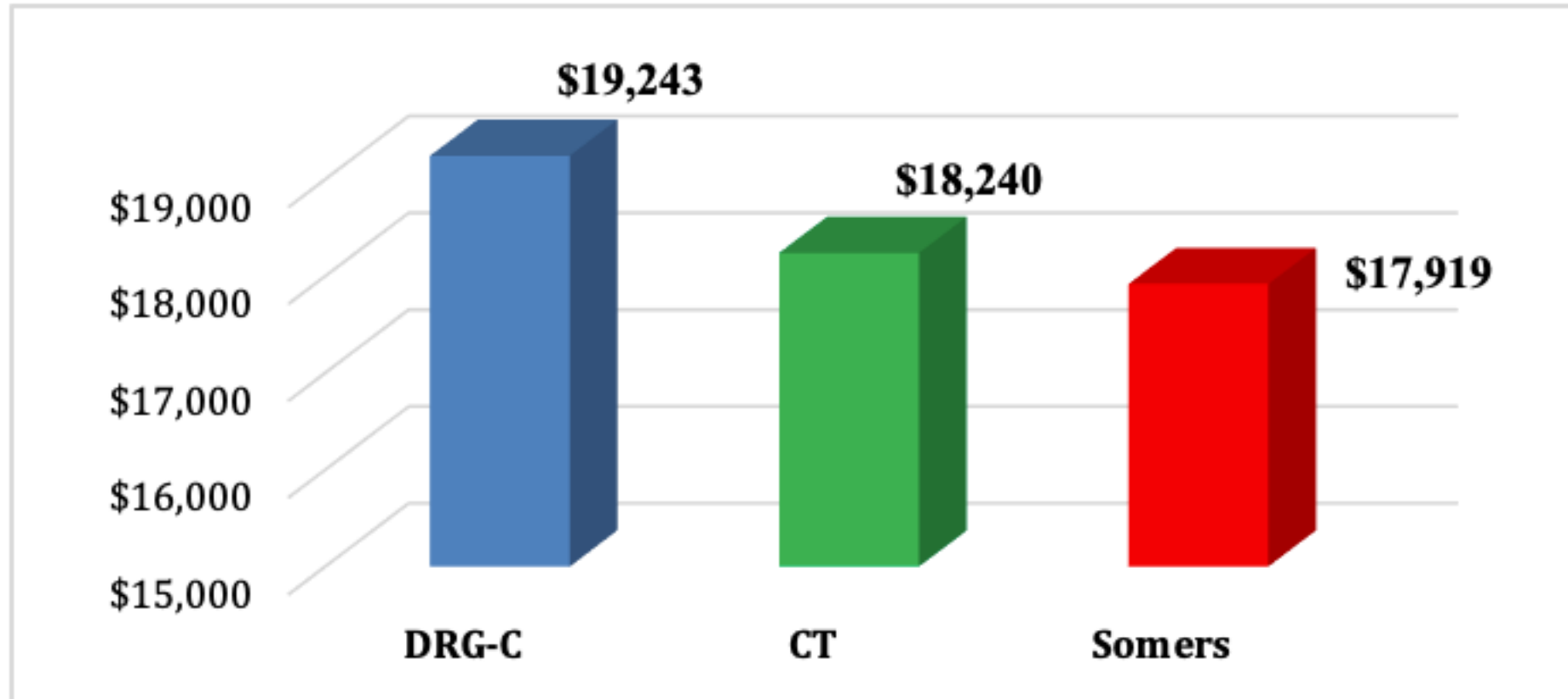
\$182,000	Reduction from approved Board of Education CIP Plan
\$306,000	Reduction from Superintendent Proposed Budget
\$170,000	Reduction per request of Board of Finance
\$658,000	TOTAL REDUCTIONS

Past Ten Years

2.71% average annual increases



Per Pupil Expenditures



** Connecticut State Department of Education, 2019-20 Net Current Expenditures Per Pupil



COVID-19

Concerns - Unbudgeted

Kindergarten Enrollment

Elementary School Teachers

Remote Learning Teachers

Social/Emotional

Tutors and Interventionists

Expanded Programming

Curriculum Modification

Assessment and Data Analytic Tools

Special Education

PPE

Sanitizing supplies

SES Ventilation System

Selectmen's (Town) Budget

Bud Knorr, First Selectman



Selectmen's Approach to Budgeting

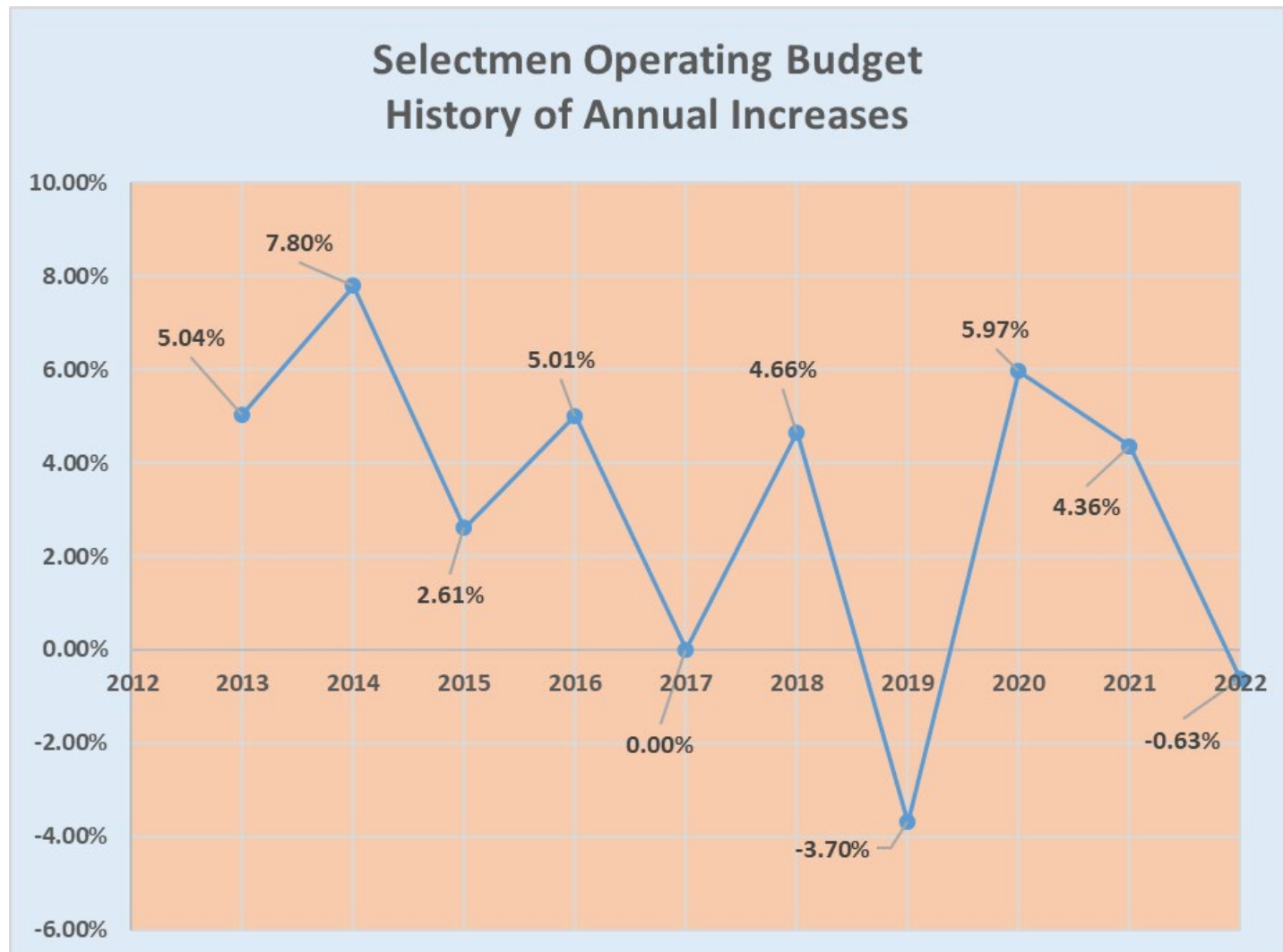
Emphasis on services and priorities and funding accordingly

- Clear and thoughtful collaboration and communication
- Increased transparency
- Performance data to aid in budgeting decisions
- Focus on efficiencies
- Evolving process
- Deliver value



Proposed Town Annual Budget

Adopted FY 2020-21 Budget	\$8,315,689
Proposed FY 2021-22 Budget	\$8,263,315
Decrease	(\$52,374)
Percentage Change	(0.63%)



- Budget represents a (0.63%) decrease from last year's budget
- Average annual budget increase of 3.11% over the last 10 years
- On average a modest annual growth in expenditures while adding, not cutting, services

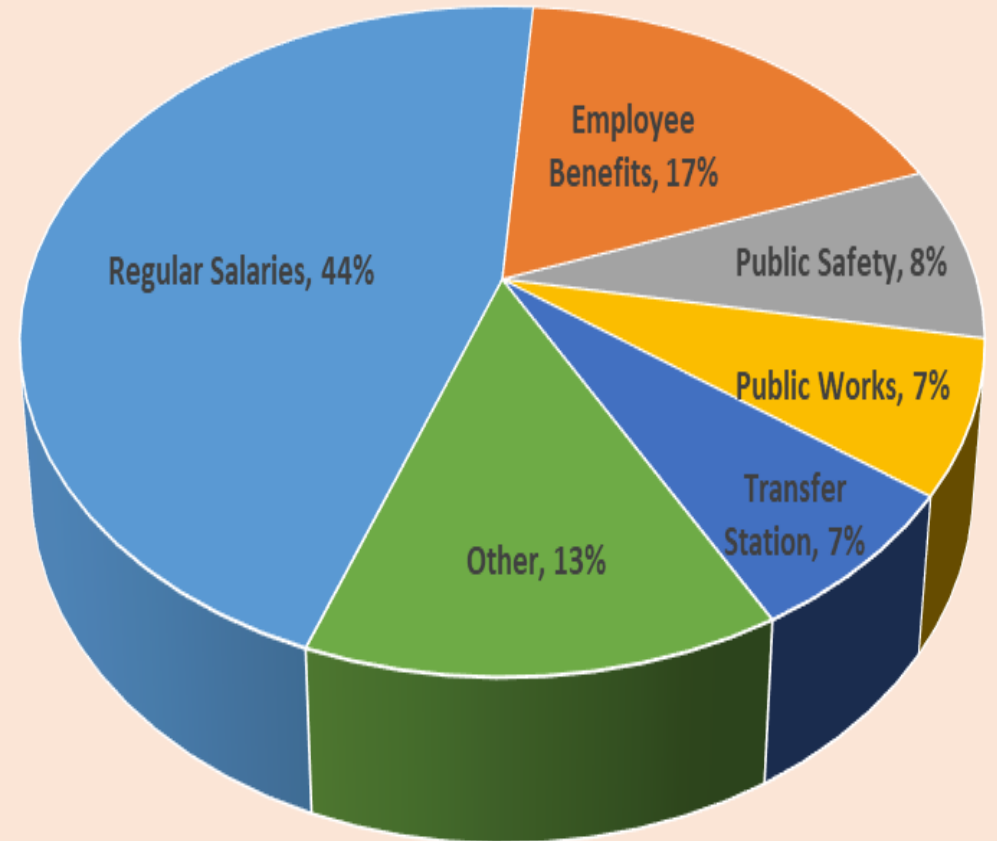
FY 2021-22 Expenditures

by Category



Category	2020-21	2021-22	Change	%
Salaries	\$3,632,961	\$3,596,147	(\$36,814)	(1.0%)
Employee Benefits	\$1,424,737	\$1,424,737	\$0	0.0%
Public Safety	\$633,475	\$668,359	\$34,884	5.5%
Public Works	\$1,134,332	\$969,813	(\$164,519)	(14.5%)
Transfer Station	\$441,141	\$544,583	\$103,442	23.5%
Other	\$1,049,043	\$1,059,676	\$10,633	1.0%
TOTAL	\$8,315,689	\$8,263,315	(\$52,374)	(0.6%)

FY 2022 Budget by Expense Category



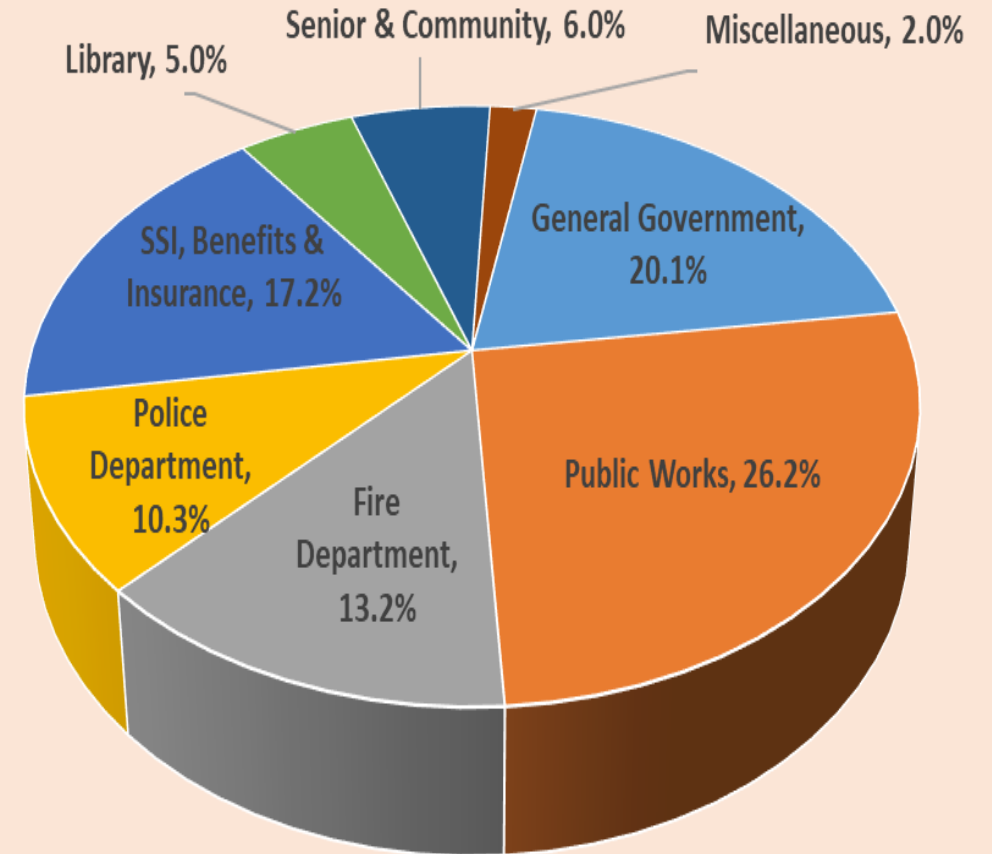
FY 2021-22 Expenditures

by Department

Department	2020-21	2021-22	Change	%
General Government	\$1,679,034	\$1,658,455	(\$20,579)	(1.23%)
Public Works	\$2,204,291	\$2,148,287	(\$56,004)	(2.54%)
Fire	\$1,058,480	\$1,092,905	\$34,425	3.25%
Police	\$791,579	\$831,084	\$39,505	4.99%
SSI, Benefits & Insurance	\$1,424,737	\$1,424,737	\$0	0%
Library	\$497,230	\$496,480	(\$750)	(0.15%)
Senior & Community Services	\$460,338	\$453,367	(\$6,971)	(1.51%)
Miscellaneous	\$200,000	\$158,000	(\$42,000)	(21.00%)
TOTAL	\$8,315,689	\$8,263,315	(\$52,374)	(0.63%)



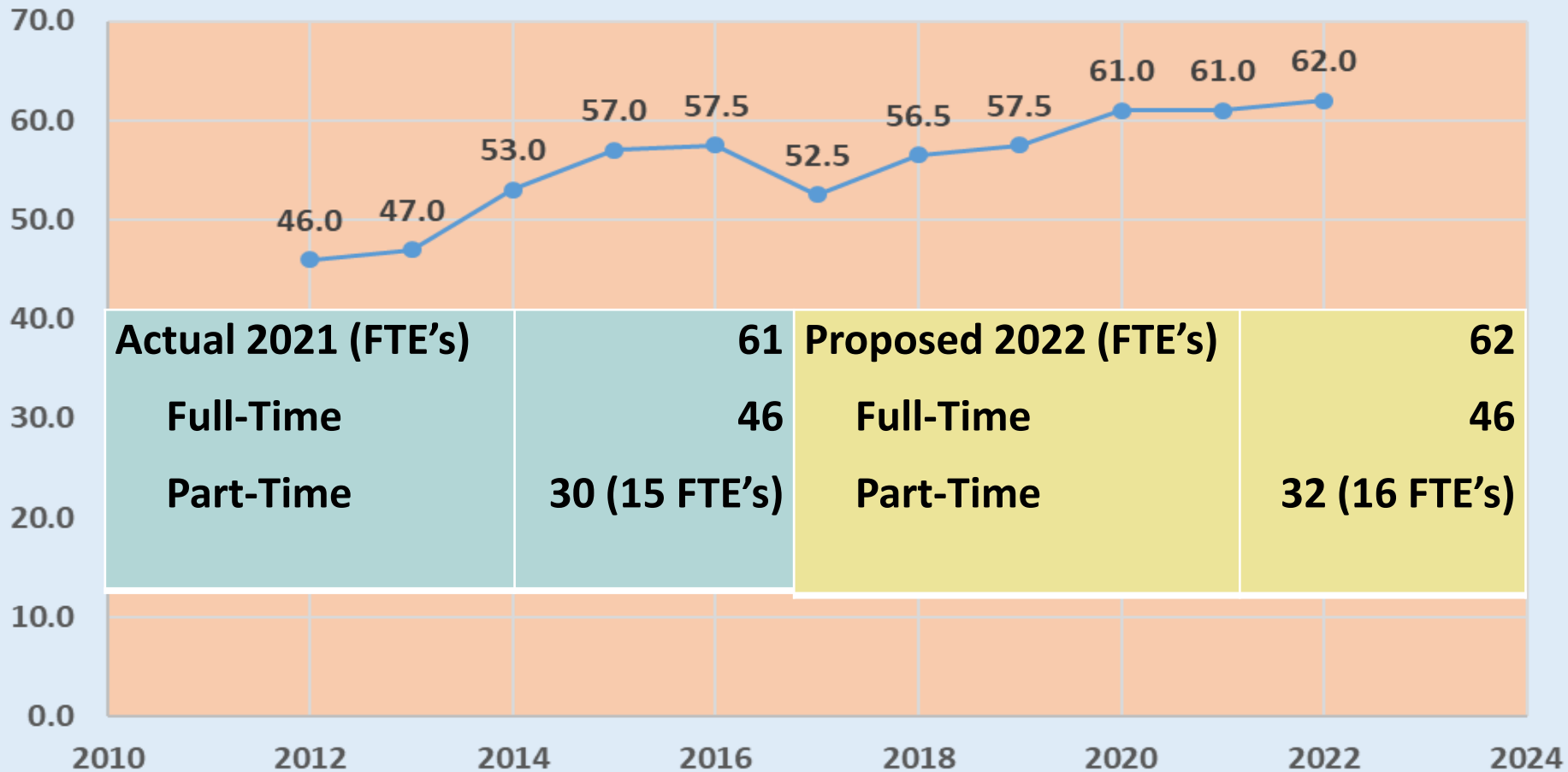
FY 2022 Budget by Department



Budget Increase and Reduction Drivers

Salaries: Due to the reorganization of departments, there was a reduction in overall salary cost coupled with a few retirements and the replacement with new employees at lower rates.	Reduction: (\$36,814)
Employee Benefits & Insurance: Health Insurance premiums are projected to be flat. Also, the reduction of one employee on the health insurance package was a factor in maintaining this flat budget.	No Change
Public Safety: • Fire/EMS - Increased service calls, with an increased need of PPE and medical supplies • Fire/EMS - Increase in the number of volunteers and stipends being paid to them • Police Department includes the addition of an overnight officer • Increases for shift premium, training, uniform maintenance costs associated with the additional officer	Increase: \$34,884
Public Works (DPW): Transferred road maintenance budget from General Fund into Town Aid Road (TAR) Fund. Other DPW department budgets remained flat.	Reduction: (\$164,519)
Transfer Station: Directly related to the significant increases in contractually obligated costs of hauling waste from the recycling center.	Increase: \$103,442
Town Departments – Other: This grouping contains various Town department budgets for supplies, legal services, utilities, dues & seminars, and other miscellaneous costs.	Increase: \$10,633

Town Employees - Full-Time Equivalents (FTE's)

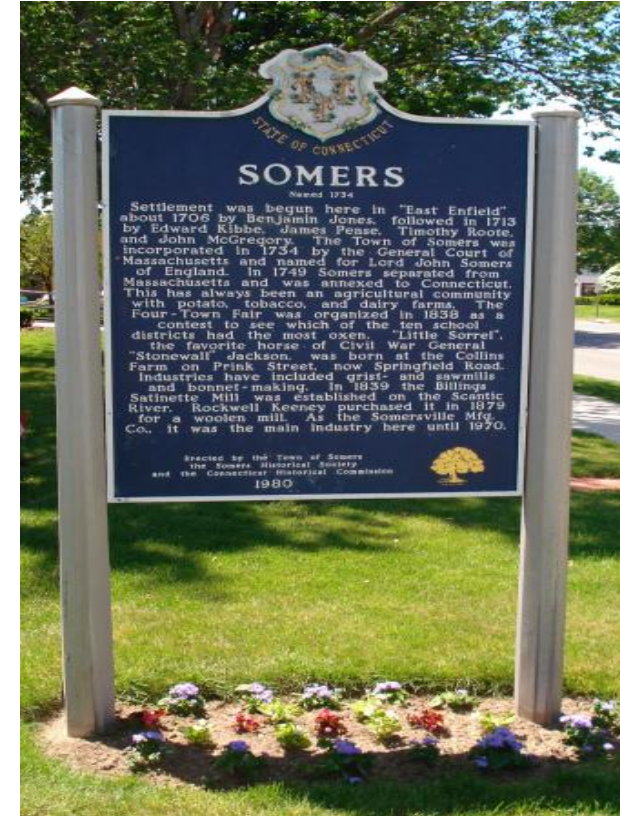


- Increase 1 FTE
- Growth of 16 FTE's over past 10 years
- Due primarily to increases in Public Safety (Fire, EMT & Police) personnel
- Local police replacing State Police; adding over night staff; school resource officers; full and part-time Fire/EMT/Paramedic positions



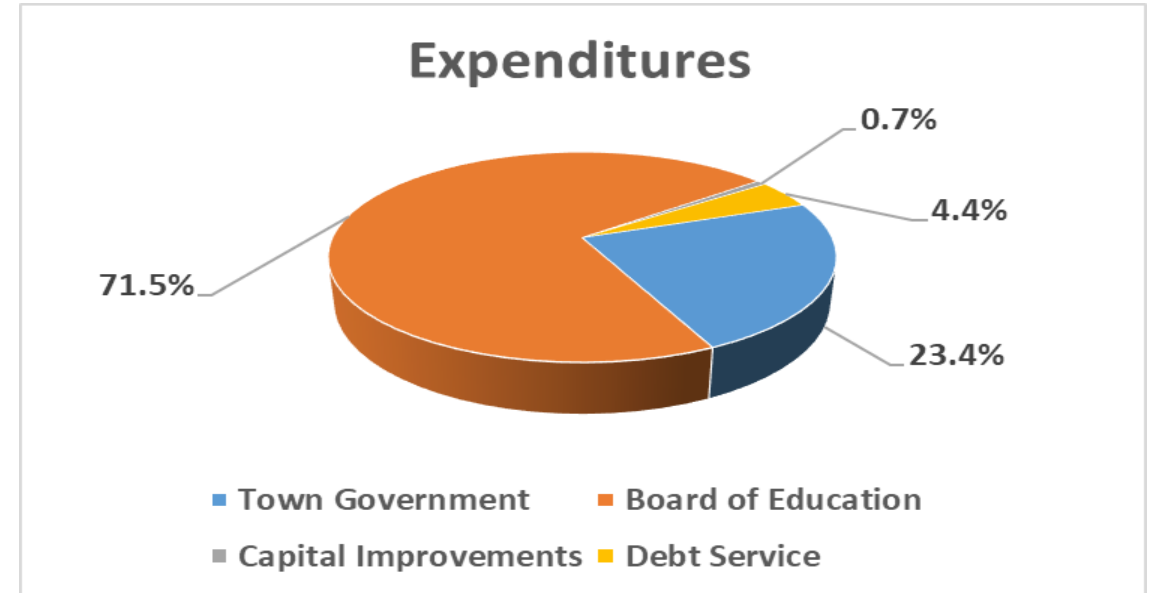
Revenue and Overall Budget

Michael Marinaccio, Chief Financial Officer

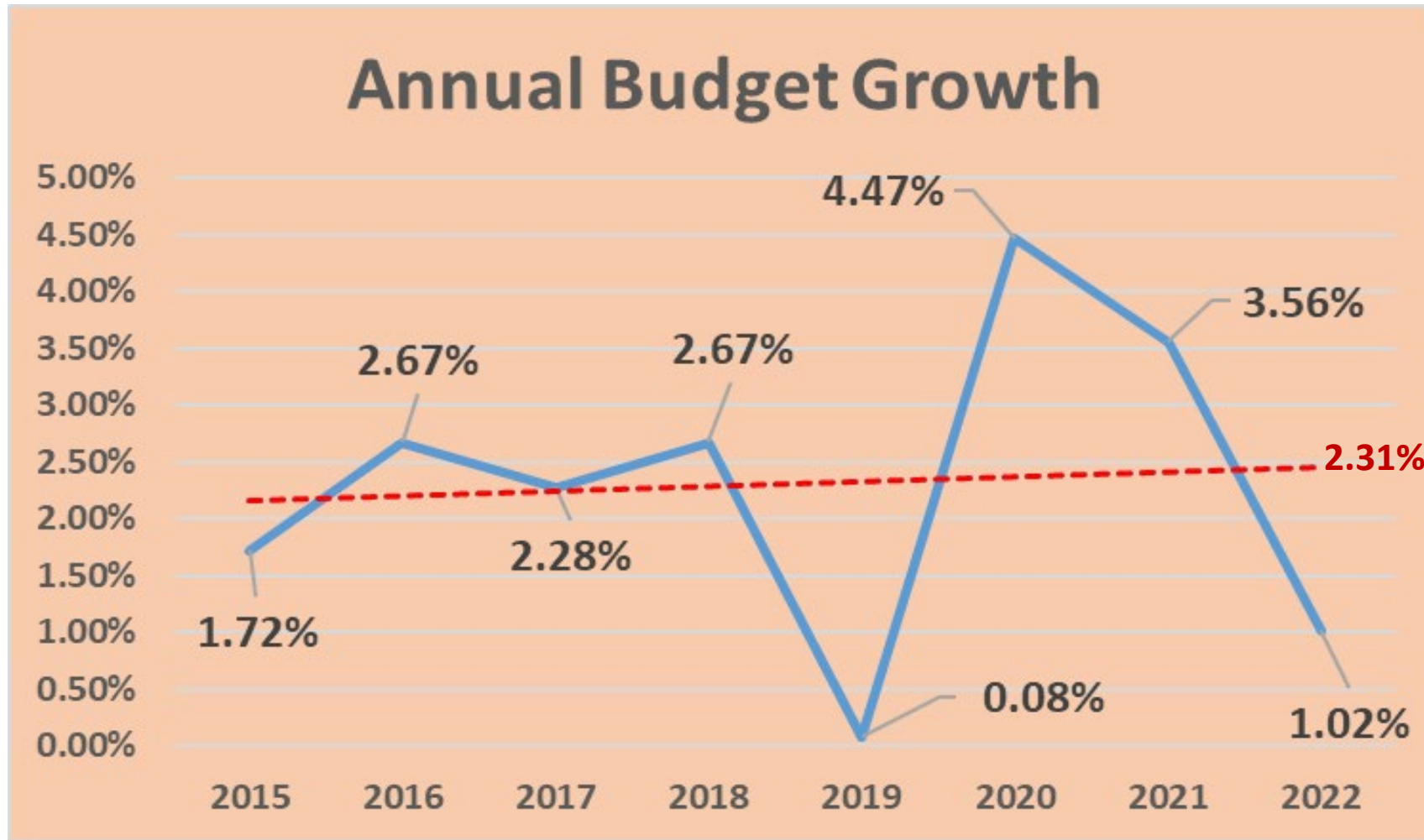


Proposed Expenditures

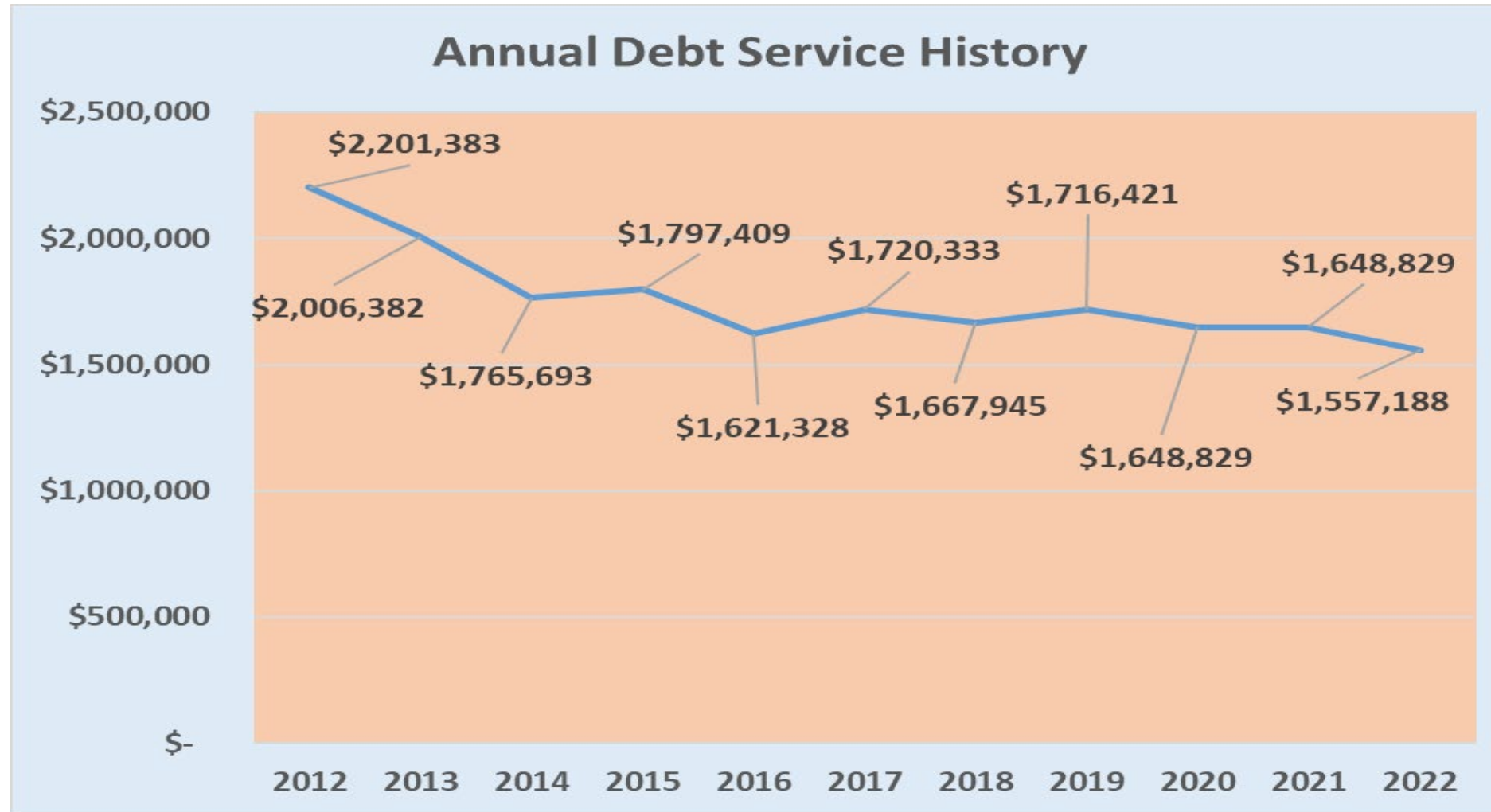
	FY 2020-21	FY 2021-22	Increase/ (Decrease)
Town Government	\$8,315,689	\$8,263,315	(\$52,374)
Board of Education	\$24,689,970	\$25,239,742	\$549,772
Capital Improvements	\$300,000	\$250,000	(\$50,000)
Debt Service	\$1,648,829	\$1,557,188	(\$91,641)
Total	\$34,954,488	\$35,310,245	\$355,757



- Town Budget decrease is (0.63%)
- Board of Ed increase of 2.23%
- Capitol Improvements decrease (16.67%)
- Debt service payments also decreasing (5.56%)
- Total Budget overall increase of 1.02%



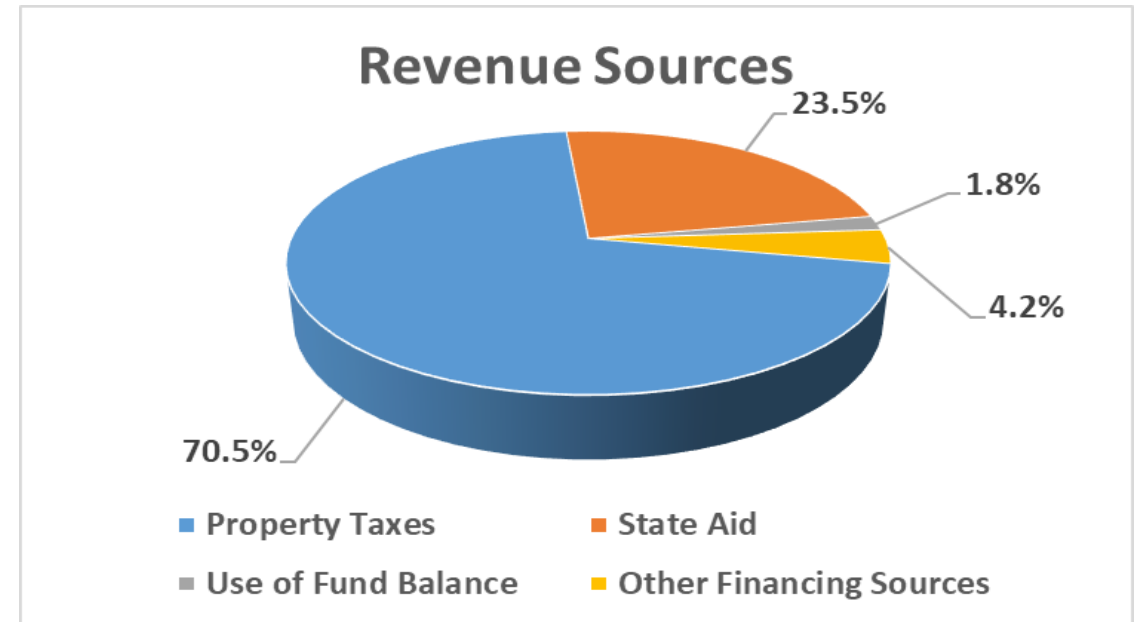
- Average annual budget growth rate of 2.31% from FY 2015 to FY 2022



- Bonded debt per capita is \$1,444
- All municipalities in State per capita average, \$2,580; per capita median \$1,866
- Debt service payments are decreasing

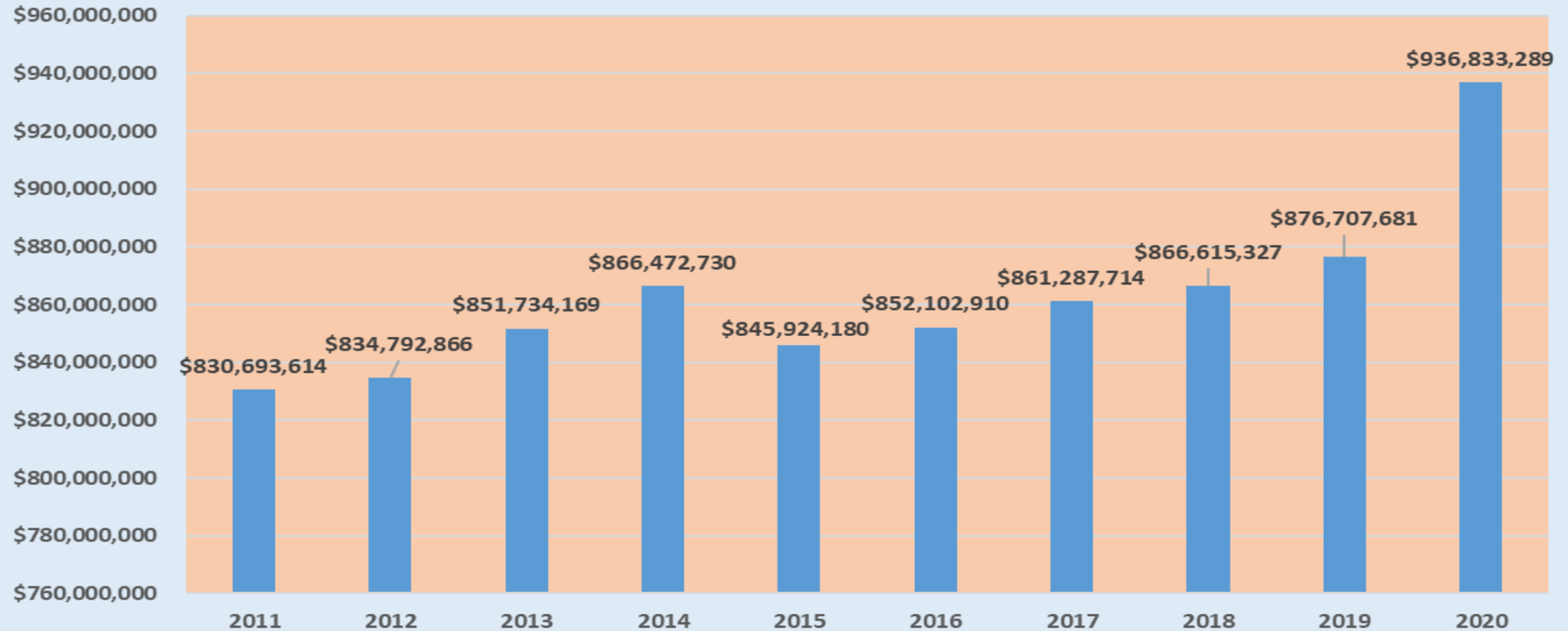
Proposed Revenues

	FY 2019-21	FY 2020-22	Change
Property Taxes	\$24,028,034	\$24,909,216	\$881,182
State Aid	\$8,306,768	\$8,306,604	(\$164)
Use of Fund Balance	\$1,185,836	\$623,667	(\$562,169)
Other Financing Sources	\$1,433,850	\$1,470,758	\$36,908
Total	\$34,954,488	\$35,310,245	\$355,757



- **Total Revenues increasing 1.02%;**
- **State Aid remaining flat;**
- **Use of Fund Balance decreasing (47.41%)**
- **Other Financing Sources increasing by 2.57%**
- **After revaluation present 27.37 mil rate became 25.51 making reval revenue neutral**
- **Along with expenditure reductions, needed both a .75 mil increase to 26.66 and a fund balance contribution to balance budget**

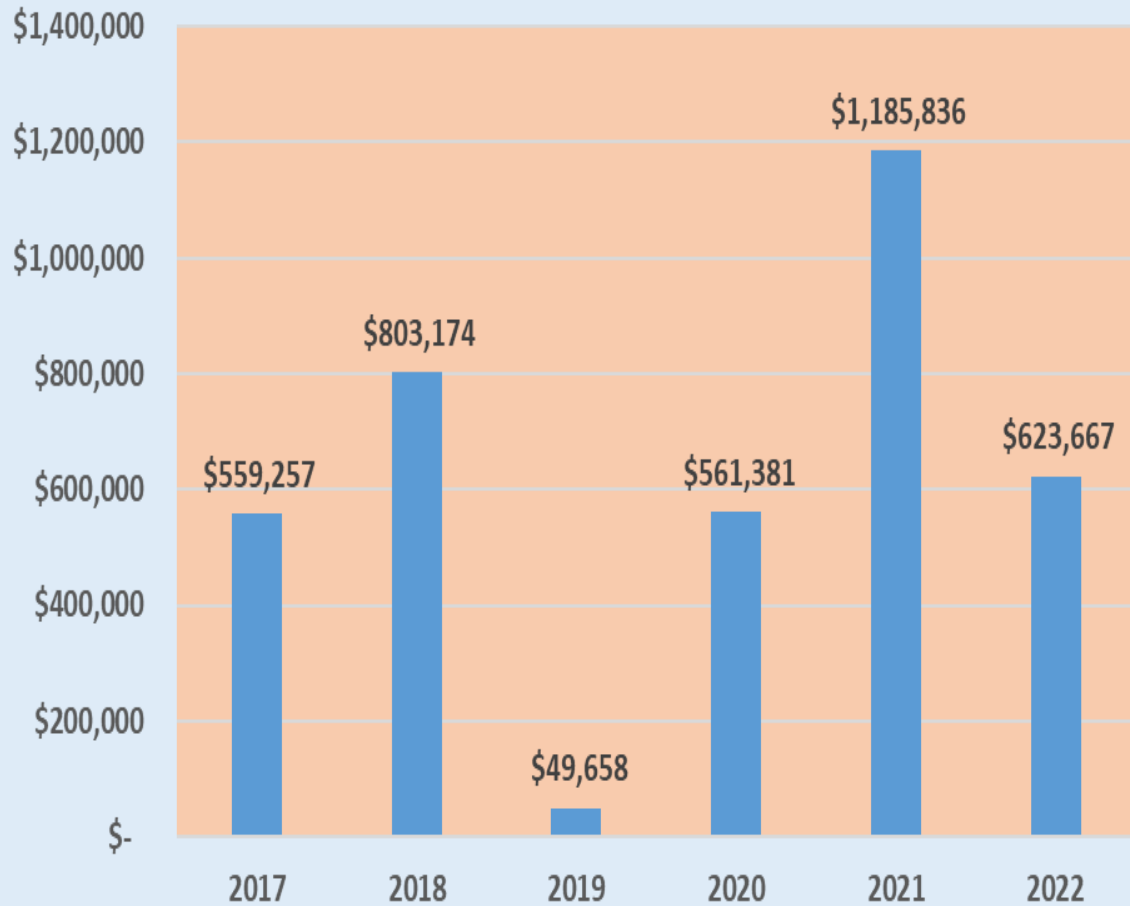
Grand List Growth



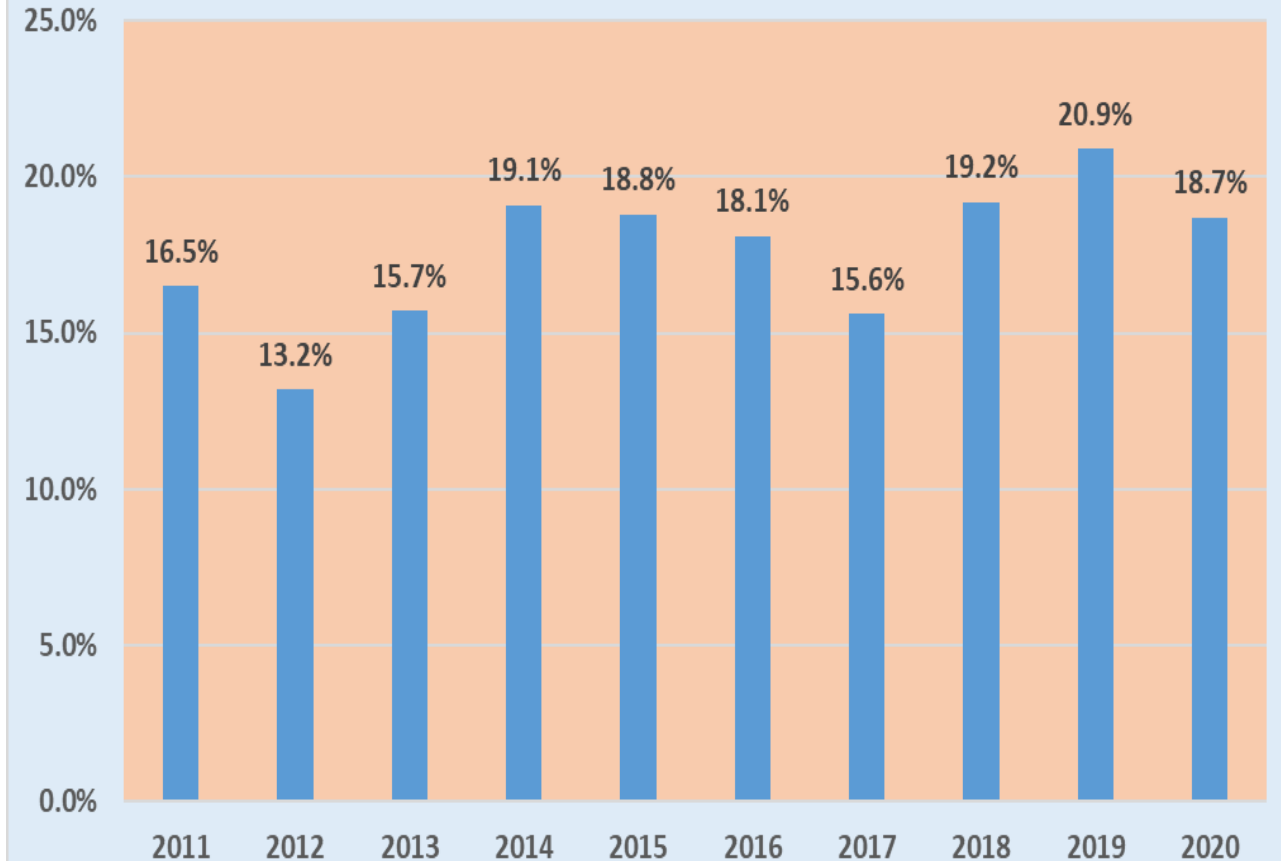
- Local tax revenues are impacted by Grand List Growth
- Town's Net Grand List increased \$60.1 million or 6.86% higher than last year
- Revaluation responsible for growth of 2020 Grand List

Strategic Use of Fund Balance

History of Fund Balance Contribution

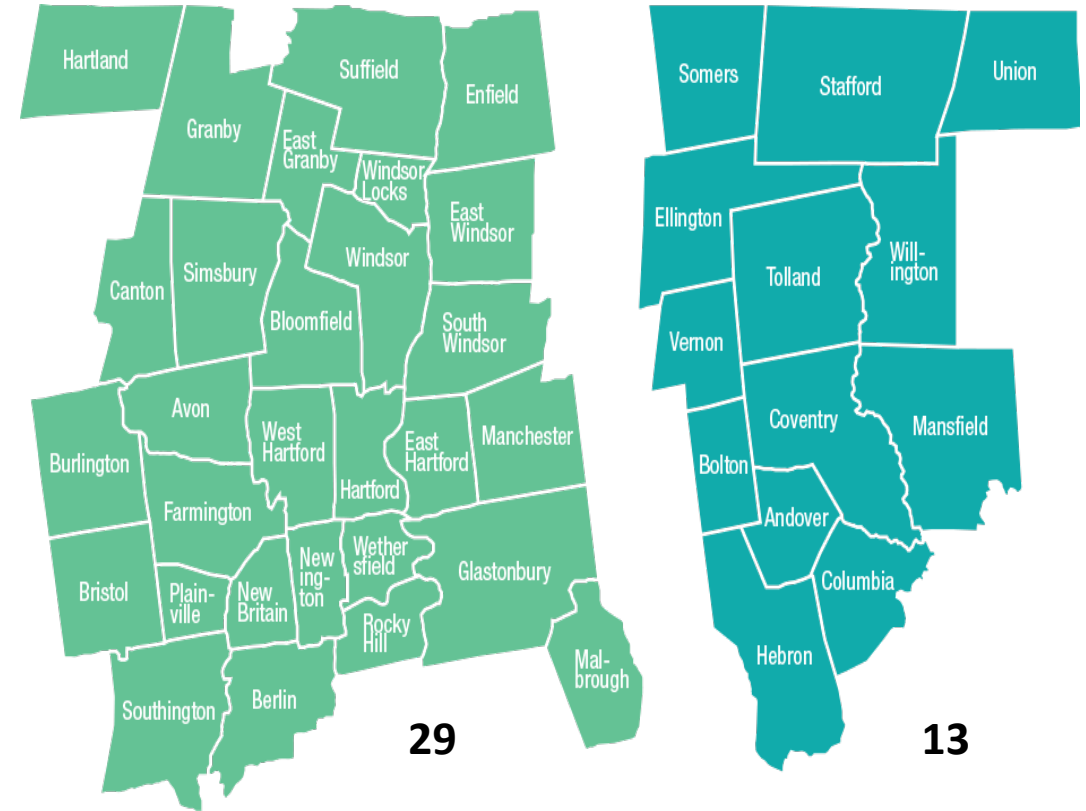
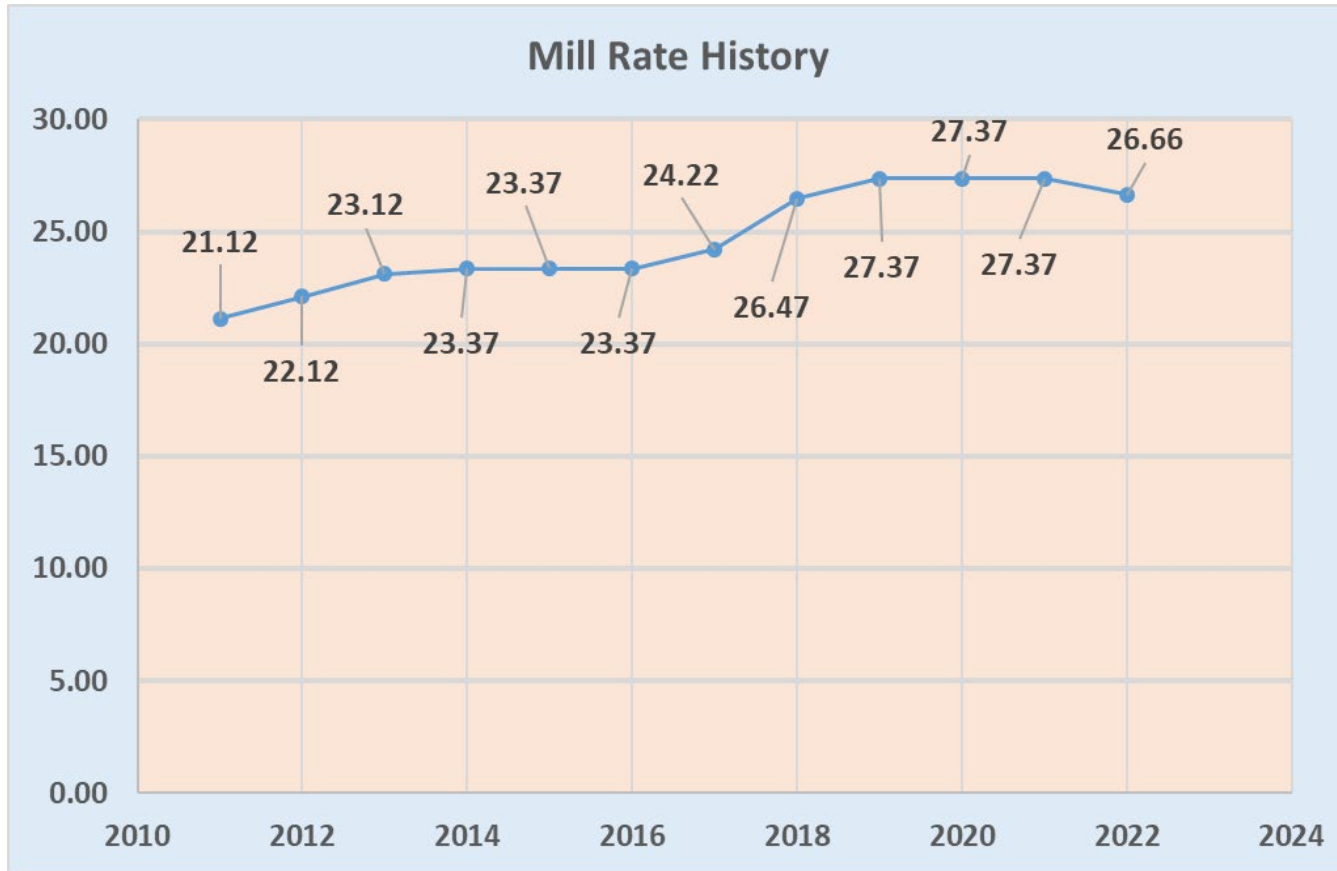


Unrestricted Fund Balance at Year End As a Percent of Annual Budget



- Utilized for tax stabilization providing revenue to offset property tax increases
- Used total of \$3,723,973 in 6 years; avoided a total of 4.02 mils in property tax increases
- Best practice: two months of current operating expenses should be available as unrestricted fund balance, or 16.7%
- FY 2022 reserve projected to be 16.7% after the \$623,667 contribution

Annual Mil Rate Growth and Comparisons



- Three consecutive years at a mil rate of 27.37; no tax increase
- Revaluation mil rate adjustment to 25.91; plus 0.75 mil increase to 26.66 in FY 2022
- Moderate mil rate growth over past 12 years: 5.54 mills
- Since FY2014 mil rate growth is 2.44 mills; use of reserves avoided additional tax of 4.02 mills
- Lowest mil rate in Tolland county (13 towns); second lowest in Hartford county (29 towns)

Peer Comparisons

Mil Rates

Somers continues to have significantly lower property taxes than its neighbors

Town	Mil Rate FY 2021	Proposed Mil Rate FY 2022**	\$200,000 Assessed Value FY 2022	Paying More Than Somers
Tolland	36.05	37.31	\$7,462	\$2,130
Stafford*	34.93	unknown**	\$6,986	\$1,654
Ellington	32.60	31.60	\$6,320	\$ 988
East Windsor*	34.72	35.59	\$7,118	\$1,786
Suffield	28.64	unknown**	\$5,778	\$ 446
Enfield*	34.23	34.23	\$6,846	\$1,514
Union	28.99	28.60	\$5,720	\$ 388
Somers	27.37	26.66	\$5,332	\$0

** Does not include additional mils associated with separate taxing districts.*

*** These towns are currently in the process of drafting their FY2022 budgets and have yet to determine their proposed FY2022 mil rates.*

Public Comment Session

Guidelines



- Only one person to speak at a time
- State your name and address prior to presenting your comments
- Please speak directly into the microphone
- Kindly limit comments to 5 minutes.
- Once everyone has been heard you will have the opportunity to speak again
- All comments will be recorded
- This will not be a Q&A Session; however, answers to questions will be posted on the Town's website
- Thank you for your cooperation

Wrap up

Remaining Budget Schedule



*Annual Town Meeting
Town Hall Auditorium
May 4, 2021, 7:00 p.m.*

*Budget Referendum Vote
Town Hall Auditorium
May 11, 2021, 6:00 a.m. to 8:00 p.m.*

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

On-line version of the this evening's presentation, is available at:

www.somersct.gov