

# **Town of Berlin FY2024 Board of Finance Budget Review**

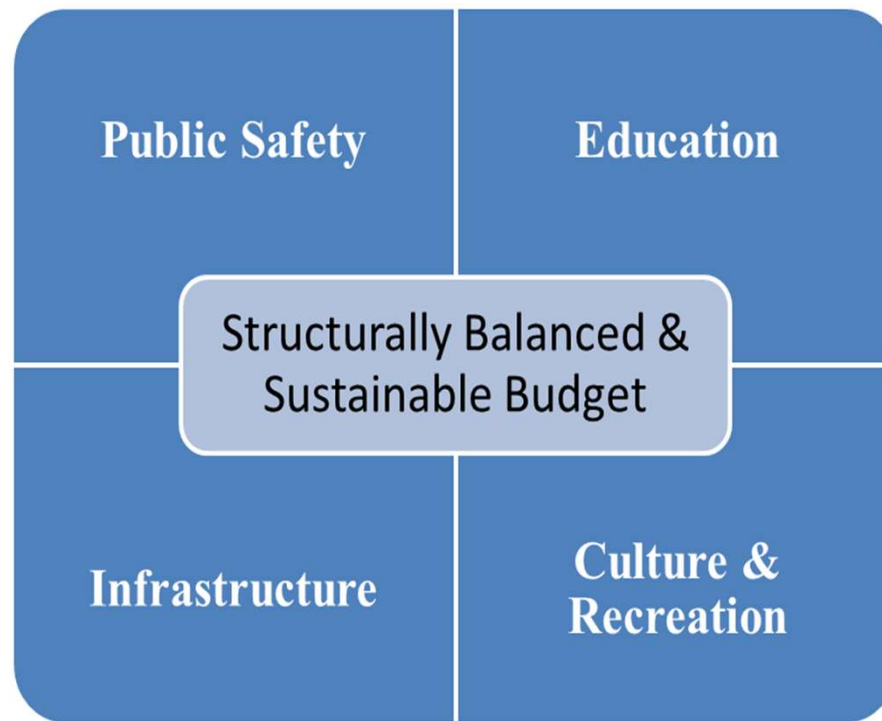
**March 1, 2023**



# Agenda

- Overall Budget
  - Board of Education Operating Budget
  - General Government Operating Budget
    - Revenue
  - Long-term Liabilities
    - Capital
    - Transfers
  - Water Control

# Overall Budget



### **Budget Assumptions**

People with the option of where to live will choose:

- A community with a good educational system
- A community with desirable cultural/recreational offerings
- A safe community

Safe, quality infrastructure is necessary to support education and culture/recreation

Budgets must be balanced and sustainable to continue these offerings over the long-term – “recurring expenses funded with recurring revenues.”

Proposed budget funds Town Council and Board of Education priorities.

# Fiscal Year 2024 Budget Priorities

## AREAS OF INVESTMENT IN FY 2024

### Infrastructure

School HVAC  
Police Station  
BHS Courtyard  
Fields  
Roads  
Ballast Blocks

### Public Safety

Police DB Pension  
New Police Officers  
School Vans  
Highway Trucks  
School Cameras  
Timberlin Bridges

### Economic Dev.

Steele Blvd.  
Farmington Ave.  
Berlin Turnpike

## **ON-GOING OPERATIONS**

Public Safety, Education, Legal, Contractual and Regulatory Compliance & Recreation

## **REQUIRED LONG-TERM OBLIGATIONS**

Bonds, Leases, Defined Benefit Plans

# Achieving Long-Term Priorities

Structurally Balanced &  
Sustainable Budget



- **Debt**: Continue debt reduction by “retiring more debt than issue”
- **Pension**:
  - Inter-generational equity
  - Fully fund actuarially-determined contribution
- **Complete two major capital projects**:
  - Police station addition/renovation
  - HVAC upgrades at all three elementary schools

# FY23 Mill Rate Restatement

FY23 Adopted General Fund Budget	\$96,625,778 a
FY23 Budgeted Non-Tax Revenue	(\$13,557,051) b
FY23 Budgeted Tax Revenue	\$83,068,727 c
Assumed Collection Rate	99.30% d
Amount Needed From Tax Levy*	\$83,654,307 e

	FY23 Original	FY23 Restated	Change	% Change
Grand List	2,438,139,007 f	2,869,275,352	431,136,345	17.7%
Mill Rate**	34.31 g	<b>29.16</b>	(5.16)	-15.0%

## Calculations:

FY23 Budgeted Tax Revenue:	$c = a - b$
Amount Needed From Tax Levy:	$e = c / d$
Mill Rate:	$g = e / (f/1000)$

\* Because the Town does not expect to collect 100% of billed property tax receipts in the fiscal year, the mill rate calculation assumes a higher amount required by the tax levy. The Revenue Collector pursues various methods to collect any outstanding taxes, but that process often carries over to future fiscal years.

\*\* The Town of Berlin mill rate was adopted before the State approved a 32.46 motor vehicle mill rate cap. The Board of Finance elected not to change the adopted FY23 mill rate after the cap was approved.

- Overall restated mill rate is 29.16
- Growth in real estate greater than growth in motor vehicle and personal property
- Growth in residential real estate greater than growth in commercial real estate
- **RESULT:**
  - **YOY grand list change (before reval.) generated \$2.225 million in additional tax revenue**
  - **Overall homeowners share of property tax will increase when compared to commercial real estate, personal property & motor vehicle taxes**

# Fiscal Year 2024 Overall Budget Proposal

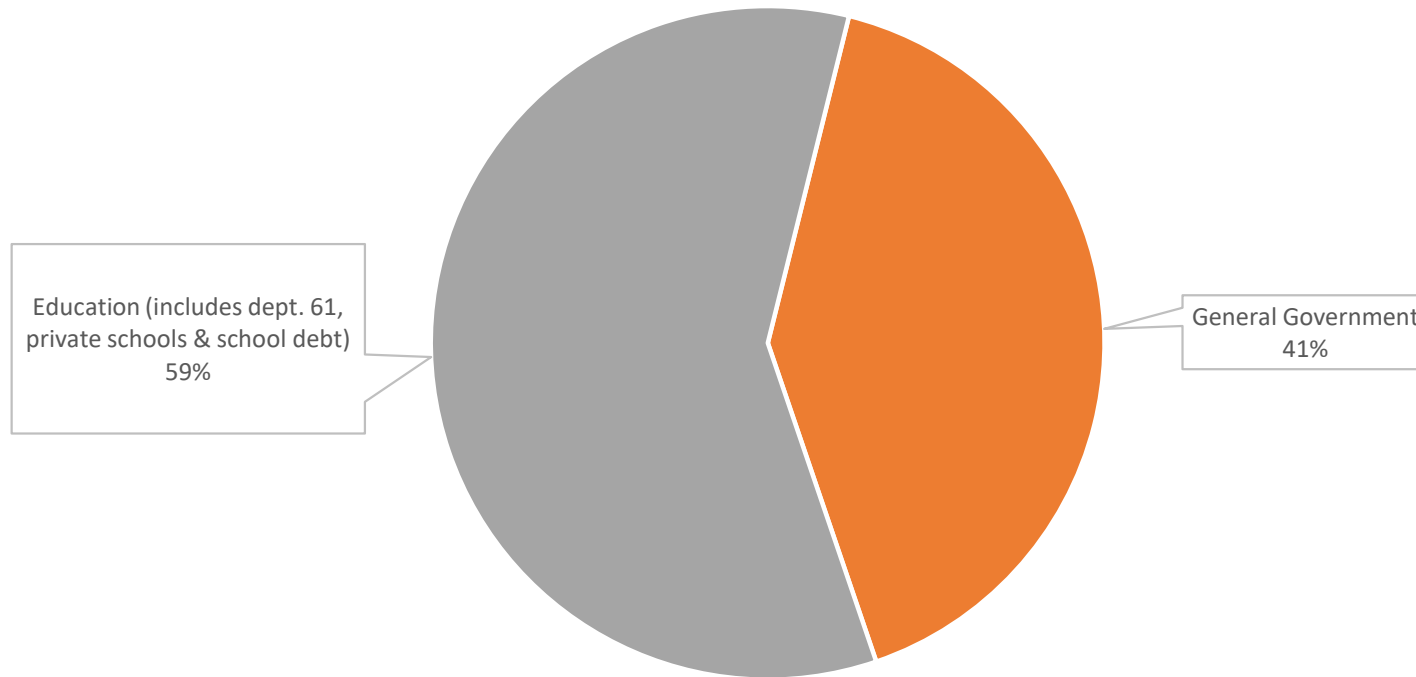
- **Total Proposal:** \$105.6 million (+\$9.0 million or +9.3%)
- **Mill Rate:** 32.19 mills (+3.03 mills vs. restated FY23 mill rate)
- **State Funds:** based on Governor Lamont's budget proposal
- **Budgeted Grand List:**
  - 1 mill is worth \$2,869,275
  - +17.7% YOY increase

## Key Drivers of \$8.9 million General Fund Budget Increase

Capital	\$2,936
BOE Operations	\$2,866
NET DB Pensions	\$1,033
Debt Service	\$723
Town Operations	\$644
Four New Police Officers	\$454
Dept 59/61	\$292

	<b>FY22 Actual</b>	<b>FY23 Original Budget</b>	<b>FY23 Amended Budget</b>	<b>FY24 Department Budget</b>	<b>FY24 Manager Budget</b>	<b>Manager/ Original Chg</b>	<b>Manager/ Original % Chg</b>
Taxes	\$82,517	\$84,754	\$84,754	\$93,800	\$93,502	\$8,749	10.3%
Fees	\$4,464	\$4,123	\$4,123	\$3,656	\$3,656	(\$467)	-11.3%
State Education Grants	\$5,872	\$5,871	\$5,871	\$5,862	\$5,862	(\$9)	-0.1%
State/Federal Non-Education Grants	\$421	\$702	\$717	\$1,012	\$1,012	\$310	44.2%
Svc Fees & Inv Earnings	\$346	\$307	\$307	\$1,252	\$1,252	\$945	N/A
Transfers In	\$1,668	\$5	\$5	\$5	\$5	\$0	0.0%
Use of Fund Balance	\$0	\$865	\$2,965	\$300	\$300	(\$565)	-65.3%
<b>TOTAL RECEIPTS</b>	<b>\$95,288</b>	<b>\$96,626</b>	<b>\$98,740</b>	<b>\$105,887</b>	<b>\$105,589</b>	<b>\$8,963</b>	<b>9.3%</b>
General Government	\$3,188	\$3,668	\$3,718	\$3,867	\$3,794	\$126	3.4%
Townwide (excluding <u>closed</u> DB pension)	\$904	\$1,666	\$1,562	\$1,532	\$1,532	(\$134)	-8.1%
Legal	\$365	\$419	\$419	\$421	\$421	\$2	0.5%
Community Development	\$1,033	\$1,326	\$1,329	\$1,380	\$1,380	\$53	4.0%
Public Safety	\$9,455	\$10,065	\$10,078	\$10,159	\$10,153	\$88	0.9%
Physical Services	\$7,152	\$8,417	\$8,431	\$8,637	\$8,637	\$220	2.6%
Parks, Recreation and Libraries	\$4,408	\$5,100	\$5,121	\$5,333	\$5,333	\$233	4.6%
Health and Human Services	\$2,219	\$2,486	\$2,499	\$2,541	\$2,541	\$56	2.2%
<b>TOWN OPERATIONS</b>	<b>\$28,724</b>	<b>\$33,146</b>	<b>\$33,157</b>	<b>\$33,870</b>	<b>\$33,790</b>	<b>\$644</b>	<b>1.9%</b>
Additional Police (4 new sworn officers - pension in LT Liabilities below)	\$0.00	\$0.00	\$0.00	\$454	\$454	\$454	N/A
Schools (Departments 59 & 61)	\$4,320	\$4,906	\$4,909	\$5,198	\$5,198	\$292	6.0%
<u>Capital</u>	\$190	\$0	\$1,000	\$2,636	\$2,686	\$2,686	N/A
<u>Long-term Liabilities:</u>							
Debt	\$8,124	\$7,907	\$7,907	\$8,630	\$8,630	\$723	9.1%
Pension	\$5,496	\$185	\$185	\$1,675	\$1,675	\$1,490	N/A
Change in Police Pension	\$453	\$457	\$457	\$0	\$0	(\$457)	N/A
<u>Transfers:</u>							
Capital	\$3,773	\$0	\$1,100	\$1,000	\$250	\$250	N/A
Debt	\$720	\$720	\$720	\$720	\$720	\$0	0.0%
Operational	\$213	\$223	\$223	\$238	\$238	\$15	6.7%
<b>TOTAL GENERAL GOVERNMENT Budget</b>	<b>\$52,013</b>	<b>\$47,543</b>	<b>\$49,658</b>	<b>\$54,421</b>	<b>\$53,640</b>	<b>\$6,097</b>	<b>12.8%</b>
<b>TOTAL BOARD OF EDUCATION Budget</b>	<b>\$47,883</b>	<b>\$49,083</b>	<b>\$49,083</b>	<b>\$51,466</b>	<b>\$51,949</b>	<b>\$2,866</b>	<b>5.8%</b>
<b>TOTAL EXPENDITURES</b>	<b>\$99,896</b>	<b>\$96,626</b>	<b>\$98,740</b>	<b>\$105,887</b>	<b>\$105,589</b>	<b>\$8,963</b>	<b>9.3%</b>

# Breakdown of Total FY24 Budget



## General Government

Operations  
Capital  
Long-term Liabilities - Debt Service  
Long-term Liabilities - Defined Benefit pension plan  
Transfers

## Education

Operations  
Town staff supporting BOE  
Capital  
Long-term Liabilities - Debt Service  
Transfers

	FY22 Actual Exp	FY23 Original Bud	FY23 Amended Bud	FY24 Department Bud	FY24 Manager Bud	Manager/ Original Chg
Operations	\$29,177	\$33,603	\$33,614	\$34,324	\$34,244	\$640
Capital	\$190	\$0	\$1,000	\$2,670	\$1,970	\$1,970
Long-term Liabilities - Debt Service	\$3,719	\$3,643	\$3,643	\$8,630	\$4,157	\$513
Long-term Liabilities - Defined Benefit pension plan	\$5,496	\$185	\$185	\$1,675	\$1,675	\$1,490
Transfers	\$4,705	\$942	\$2,042	\$957	\$957	\$15
	<b>\$43,287</b>	<b>\$38,374</b>	<b>\$40,485</b>	<b>\$48,256</b>	<b>\$43,003</b>	<b>\$4,629</b>
Operations	\$47,883	\$49,083	\$49,083	\$51,466	\$51,949	\$2,866
Town staff supporting BOE	\$4,320	\$4,906	\$4,909	\$5,198	\$5,198	\$292
Capital	\$0	\$0	\$0	\$966	\$966	\$966
Long-term Liabilities - Debt Service	\$4,405	\$4,264	\$4,264	\$0	\$4,473	\$210
Transfers	\$0	\$0	\$0	\$0	\$0	\$0
	<b>\$56,609</b>	<b>\$58,252</b>	<b>\$58,256</b>	<b>\$57,630</b>	<b>\$62,586</b>	<b>\$4,334</b>

**QUESTIONS?**



# **Board of Education Adopted Budget for Fiscal Year 2023-2024**

**February 15, 2023**

# Board of Education Goals for 2023-2024

## Goal 5

TO COMMIT TO A SAFE  
LEARNING ENVIRONMENT FOR  
ALL STUDENTS AND STAFF

## Goal 1

TO PROVIDE QUALITY  
EDUCATION

## Goal 2

TO PREPARE STUDENTS  
FOR MULTIPLE OPTIONS  
AND OPPORTUNITIES

## Goal 3

TO MAINTAIN FAVORABLE CLASS  
SIZES & COURSE OFFERINGS

## Goal 4

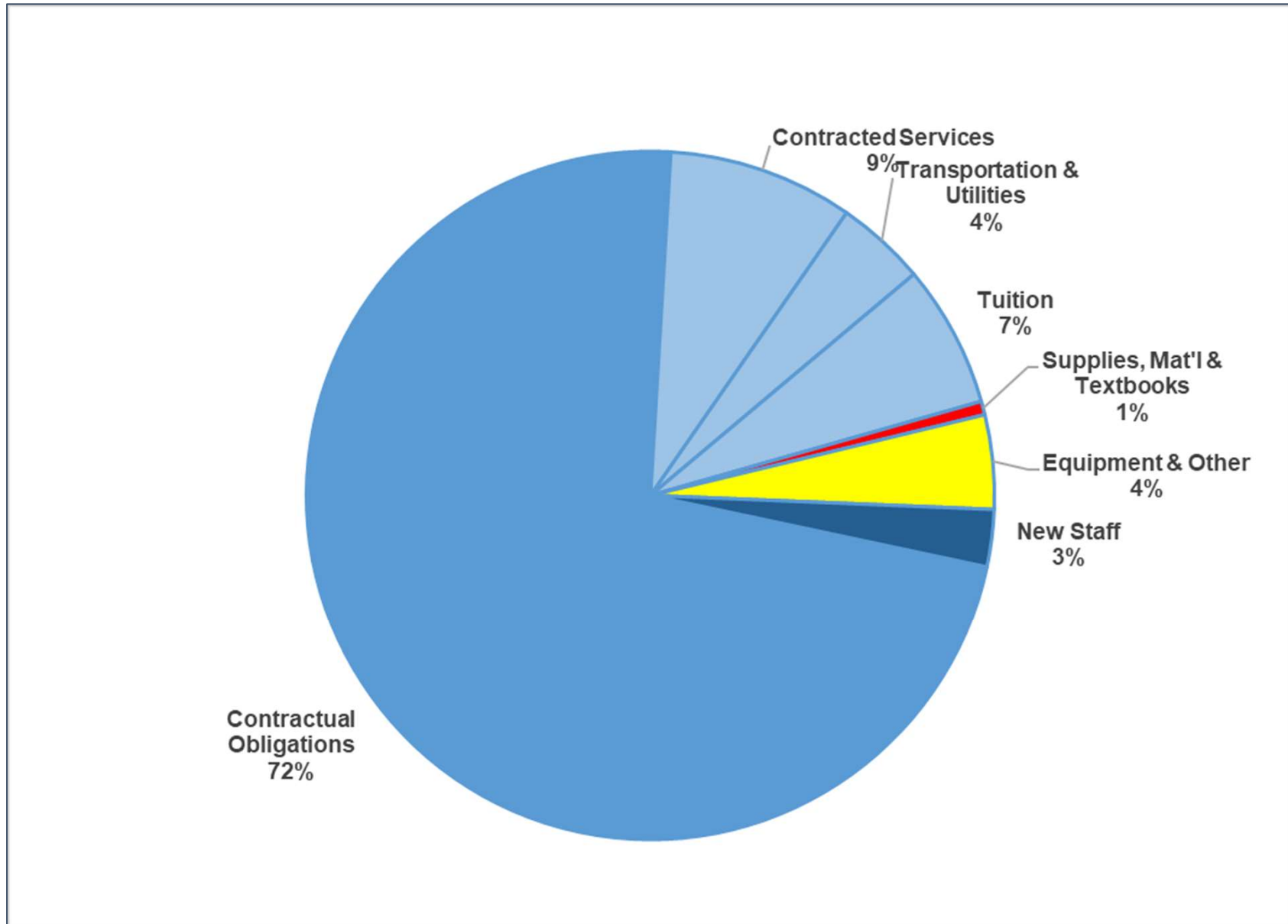
TO CONSISTENTLY  
SUPPORT  
TECHNOLOGY



# Berlin's Beliefs About Learning

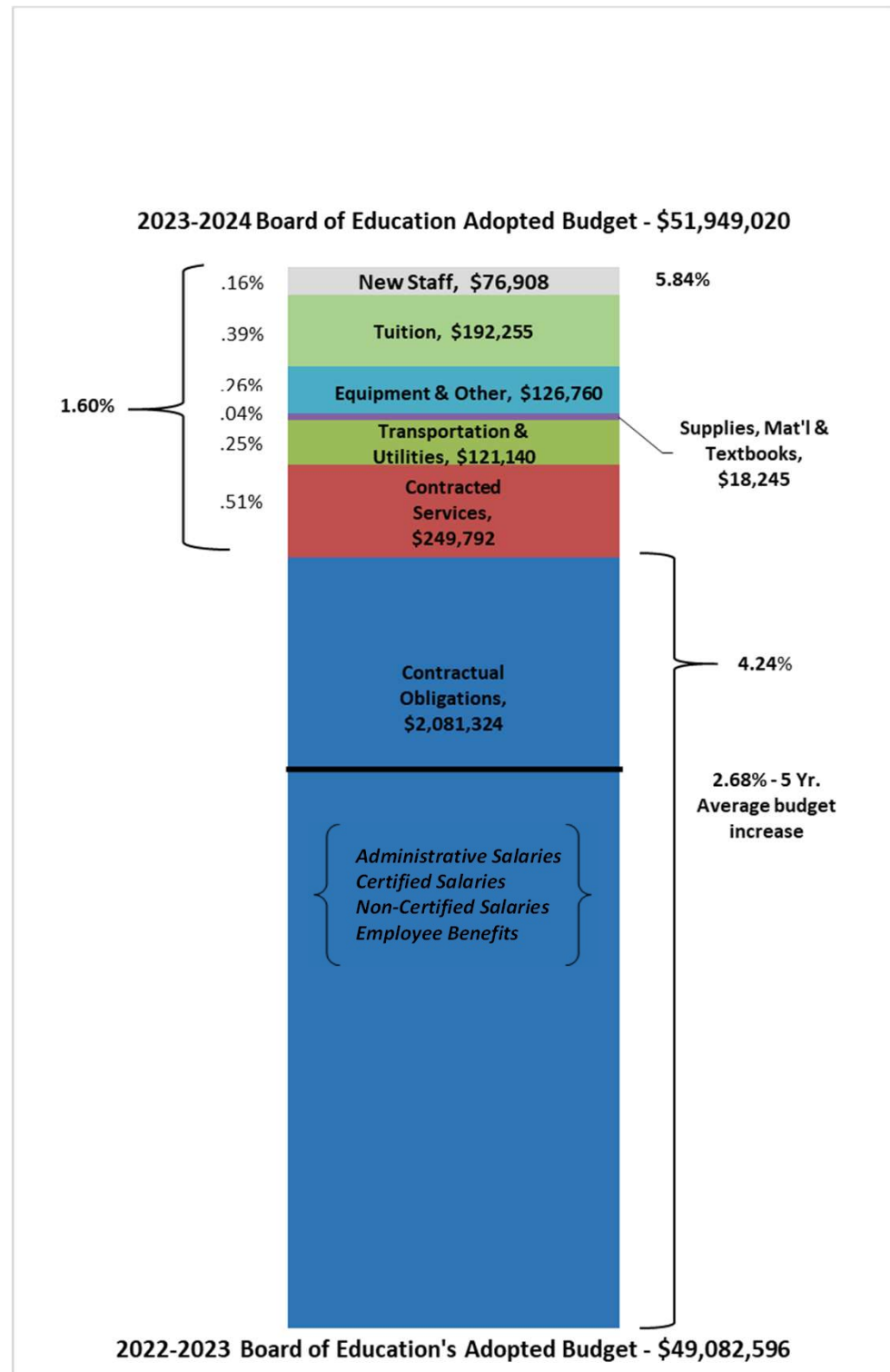
1. All students learn when they feel safe, included, respected, and valued by their community.
2. We must believe in, challenge, and support all students to reach their personal goals and our high expectations.
3. Learning is enhanced by a cycle that includes goal setting, practice, feedback, and reflection.
4. Students are empowered and engaged by choice and authentic learning experiences.

# Board of Education's Budget at a Glance



# 2023-2024 Board of Education Adopted Budget Overview

Total rounded to the nearest dollar



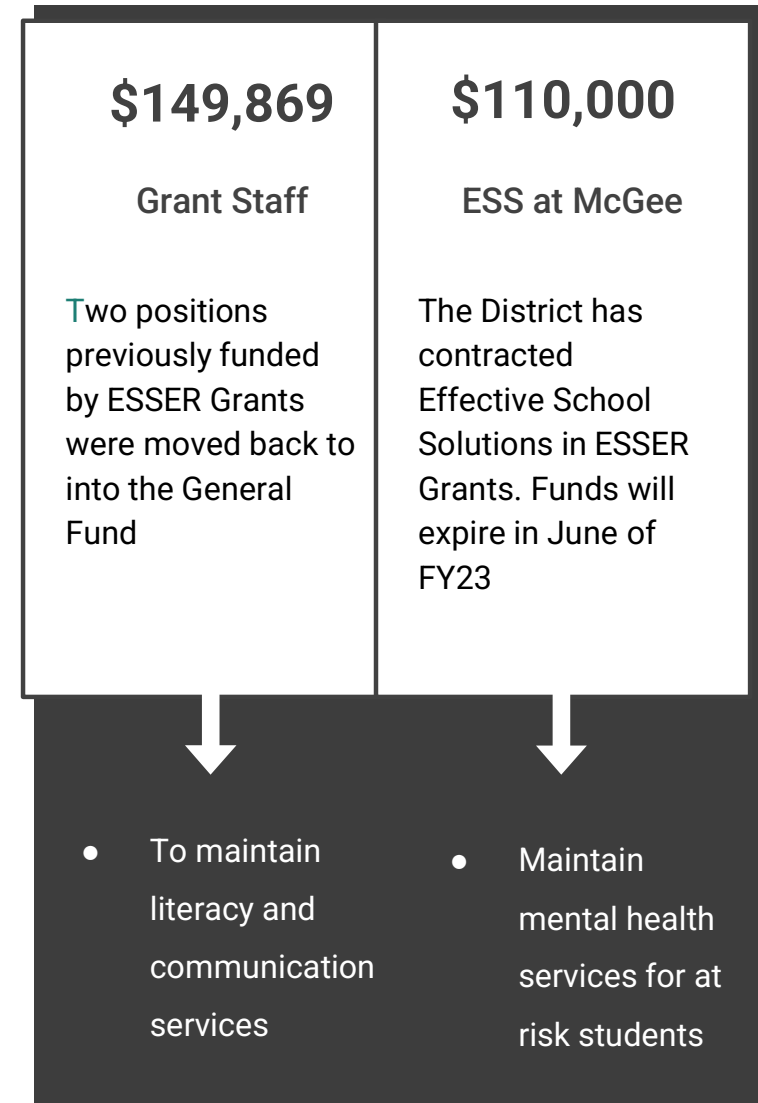
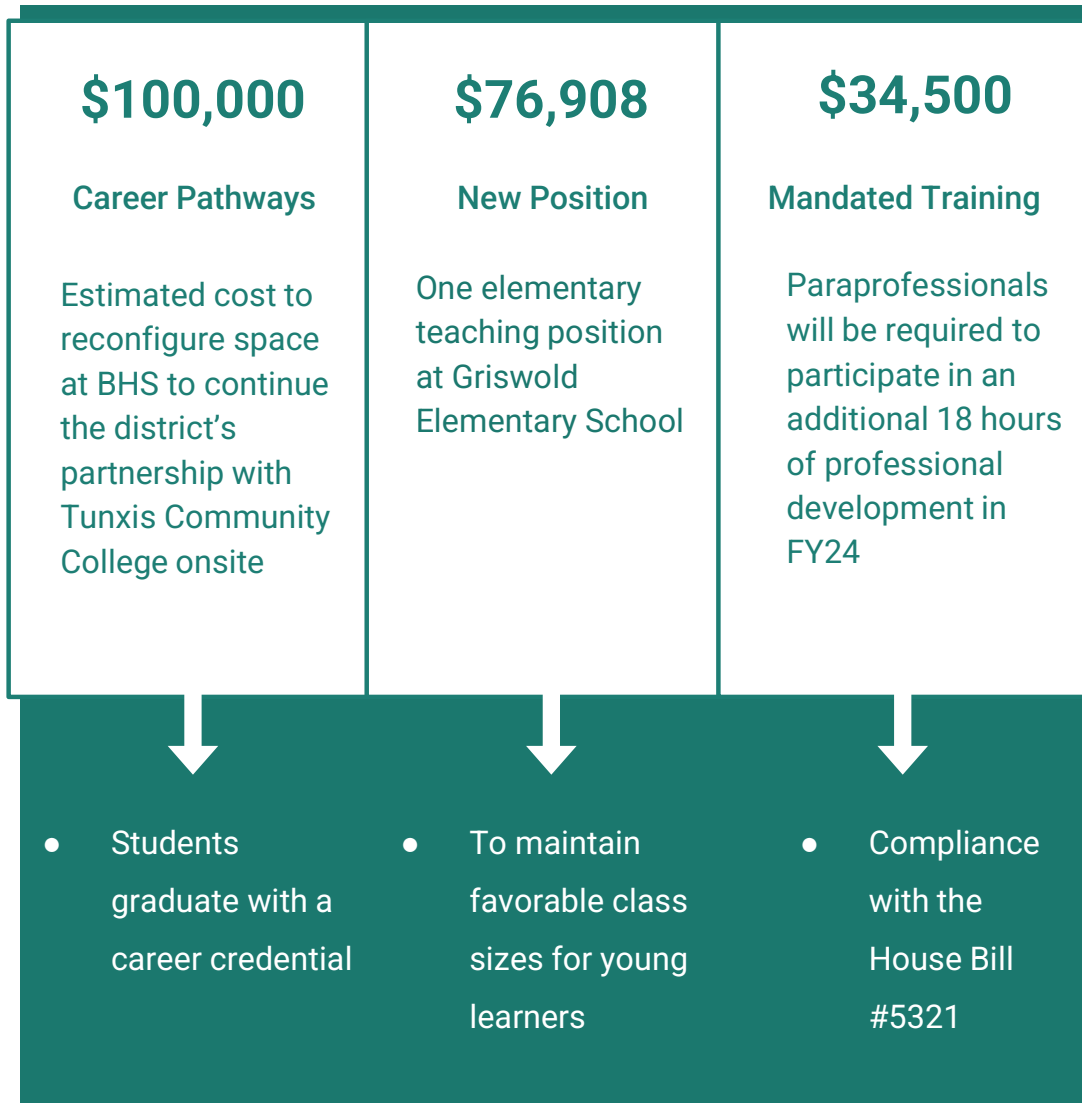
# Staffing Changes \$226,777.00

New Staff: \$76,908

Grant Staff: \$149,869

<b>Board of Education's Staffing Changes</b>				<b>\$226,777.00</b>
<b>Location</b>	<b>Position</b>	<b>FTE</b>	<b>Estimated Salary</b>	<b>Estimated Benefits</b>
<b>NEW Positions</b>				
Griswold	Elementary Placement (Enrollment)	1.00	\$67,413.00	\$9,495.00
<b>EXISTING Positions (previously funded by grants)</b>				
Districtwide	Family Communications Specialist		\$46,540.00	N/A
McGee	Reading Teacher		\$103,329.00	N/A
<b>Positions New to General Fund</b>		<b>1.00</b>	<b>\$217,282.00</b>	<b>\$9,495.00</b>

# New for Fiscal Year 2024



# Board of Education's Adopted Budget

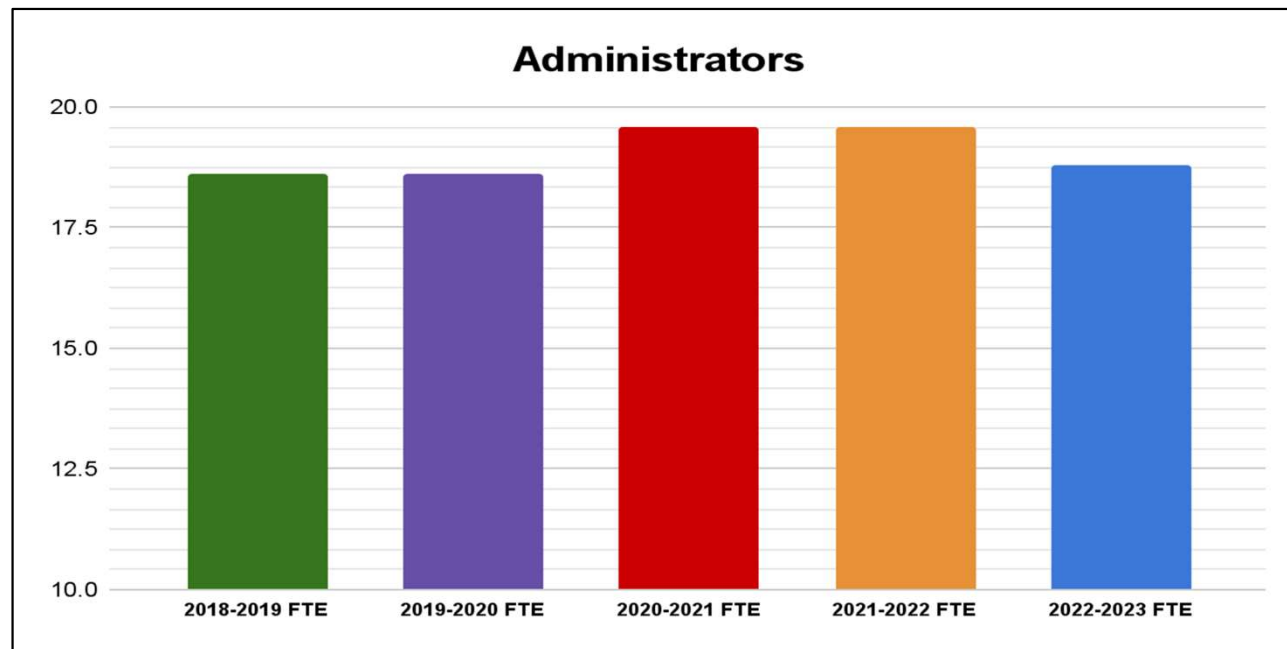
## \$2,866,423.60

Increase of 5.84%

BOE Adopted Budget Executive Summary							\$51,949,019.60		
Description			FY 21-22 Budget	FY 21-22 Actuals	FY 22-23 Budget as of 12/1/22	FY 23-24 Superintendent Proposed	FY 23-24 BOE Adopted	Dollar Difference	Percent Difference
10	Administrative Salaries	\$2,865,886.57	\$2,850,832.43	\$2,789,213.04	\$2,865,490.71	\$2,865,490.71	\$76,277.67	2.73%	
11	Certified Salaries	\$21,545,983.58	\$21,686,899.79	\$22,023,886.34	\$22,762,301.82	\$23,054,679.82	\$1,030,793.48	4.68%	
12	Non Certified Salaries	\$7,646,170.41	\$7,655,639.05	\$7,837,750.23	\$8,156,072.06	\$8,269,590.06	\$431,839.83	5.51%	
20	Employee Benefits	\$6,755,970.54	\$6,609,022.80	\$7,105,186.27	\$7,648,546.00	\$7,724,507.00	\$619,320.73	8.72%	
30	Contracted Services	\$1,865,459.00	\$2,001,459.27	\$1,940,744.22	\$2,189,646.89	\$2,190,536.11	\$249,791.89	12.87%	
40	Utilities	\$406,303.00	\$398,052.40	\$418,370.00	\$505,915.00	\$505,915.00	\$87,545.00	20.93%	
51	Transportation	\$3,251,276.79	\$3,061,357.39	\$3,312,355.00	\$3,345,950.00	\$3,345,950.00	\$33,595.00	1.01%	
56	Tuition	\$2,270,714.53	\$2,090,272.23	\$2,380,288.00	\$2,572,543.00	\$2,572,543.00	\$192,255.00	8.08%	
60	Supplies, Textbooks, & Materials	\$967,449.58	\$974,188.98	\$969,150.90	\$987,395.90	\$987,395.90	\$18,245.00	1.88%	
70	Equipment	\$179,979.00	\$373,059.07	\$216,205.00	\$241,725.00	\$241,725.00	\$25,520.00	11.80%	
80	All Other Expenditures	\$130,439.00	\$182,446.90	\$89,447.00	\$190,687.00	\$190,687.00	\$101,240.00	113.18%	
Totals:		\$47,885,632.00	\$47,883,230.31	\$49,082,596.00	\$51,466,273.38	\$51,949,019.60	\$2,866,423.60	5.84%	

## Administrators - \$76,277.67 (Increase of 2.73%)

- Affiliated contract increase 2.25% or 4.60% with step
- 5 administrators are eligible for step increases
- Non-affiliated administrators are budgeted at 3% increase

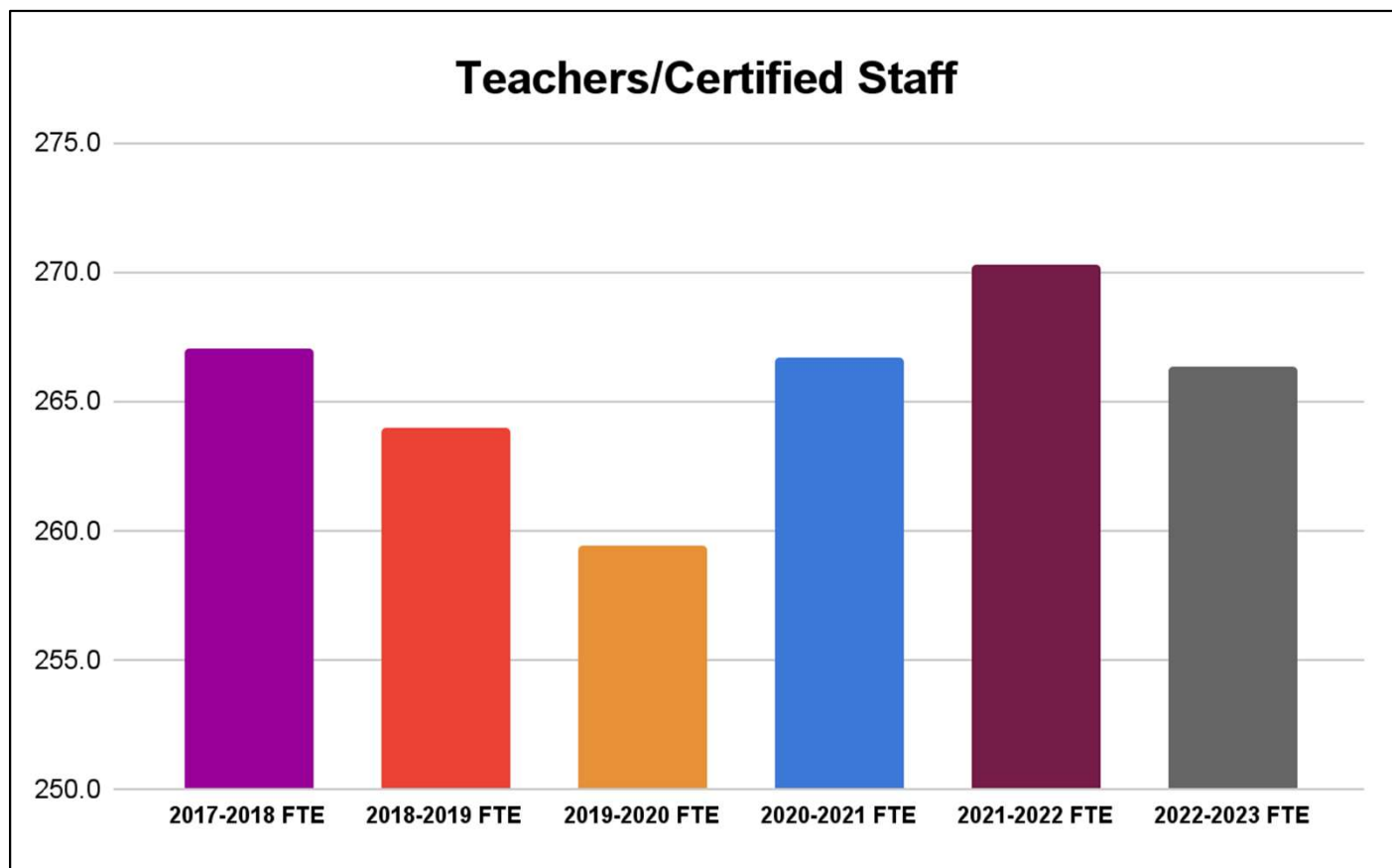


# Certified Staff - \$1,030,793.48 (Increase of 4.68%)

- 155 teachers are on max step for the 2023-2024 school year
- 112 teachers advance a step for the 2023-2024 school year
- 6 teachers are eligible for a salary lane change
- 50/50 cost sharing at CCTA with Cromwell

# 6 Year FTE Comparisons Teachers/Certified Staff

Employee Type	2017-2018 FTE	2018-2019 FTE	2019-2020 FTE	2020-2021 FTE	2021-2022 FTE	2022-2023 FTE
Teachers/Certified Staff	267.0	264.0	259.4	266.7	270.3	266.3



# Non-Certified Salaries - \$431,839.83 (Increase of 5.51%)

- Family Communication Specialist (previously funded in ESSER Grant)
- Mandated Training for Paraprofessionals (2 days)
- Non-affiliated contracts budgeted at 3% increase
- Increase to Per Diem Substitute account (new rate)
- Custodial Overtime

# Employee Benefits - \$619,320.73

(Increase of 8.72%)

- Rate increase for medical insurance is 10% (set by Town)
- The employer percentage for staff groups has been adjusted to meet the contractual obligation for each group
- Pension account adjustment

# Contracted Services - \$249,791.89

(Increase of 12.87%)

- Included the full cost to fund Effective School Solutions at McGee Middle School, which was previously funded by ESSER.
- Includes all operational and educational software systems which increase 3% to 7% annually.
- Includes legal fees, copier leases, athletic training, and other operational expenses.

## Utilities - \$87,545.00 (Increase of 20.93%)

- The cost of utilities in the previous and current fiscal year have increased significantly. The district is continuing to monitor industry trends but we continue to adjust the usage for appropriately budgeting for 2023-2024 year.
- Berlin and Cromwell split the utility cost for the CCTA program at 50%.

# Transportation - \$33,595.00

## Increase of 1.01%

- Contractual increase for 2023-2024 school year is 3% with New Britain Transportation.
- The cost of fuel is negotiated annually and the price per gallon for both diesel and gasoline is expected to increase.
- The number of Technical Schools the District transports to is less than the current fiscal year.
- District intends to use a portion of Excess Cost funds to offset Special Education transportation.

# Tuition - \$192,255.00 Increase of 8.08%

- Special Education tuition is budgeted net of Excess Cost
- Includes unanticipated Special Education placements for 2023-2024 School Year
- Includes tuition cost for Career Pathways & Independent Study
- Includes anticipated 3% increase for all Special Education Outplacements
- Accounts for students aging out of the Magnet School Tuition Program

# Supplies, Textbooks & Materials - \$18,245.00 Increase of 1.88%

- With the exception of supplies needed for the Career Pathways program, all buildings and departments are taking a zero percent increase to their budgets.
- Principals and department leaders have redistributed funds from supplies, equipment, and all other expenditures to best fit the needs of their students and programs for the 2023-2024 school year.
- With the rising cost of inflation a zero percent increase is a cut to all building and department budgets.

## Equipment - \$25,520 (Increase of 11.80%)

- Includes increase for mandated availability of free menstrual products in schools (Public Act 22-118).
- With the exception of supplies needed for the Career Pathways program, all buildings and departments are taking a zero percent increase to their budgets.
- With the rising cost of inflation a zero percent increase is a cut to all building and department budgets.

# All Other Expenditures - \$101,240.00 (Increase of 113.18%)

- The increase reflects the estimated cost to reconfigure classroom space at BHS for the Career Pathways Program.
- Offering the CNA course onsite and during the school day will increase access for students.

# 5 Year FTE Comparisons

Employee Type	2019-2020 FTE	2020-2021 FTE	2021-2022 FTE	2022-2023 FTE	Anticipated 2023-2024 FTE	Change/ Prior Year
Administrators	18.6	19.6	19.6	18.8	18.8	0.0
Teachers/Certified Staff	259.4	266.7	270.3	266.3	267.3	1.0
Paraprofessionals	109.1	109.1	115.0	115.8	115.8	0.0
Clerical	20.1	22.1	20.5	17.4	17.4	0.0
Custodians	26.0	29.5	27.0	27.0	27.0	0.0
Cook Managers	5.0	5.0	5.0	5.0	5.0	0.0
Food Service	10.0	9.3	9.8	10.74	10.74	0.0
Unaffiliated	20.9	10.8	25.1	29.8	29.8	0.0
Armed Security	4.0	5.0	5.0	6.0	6.0	0.0

Includes all positions regardless of funding source.

# Hartford Open Choice Enrollment

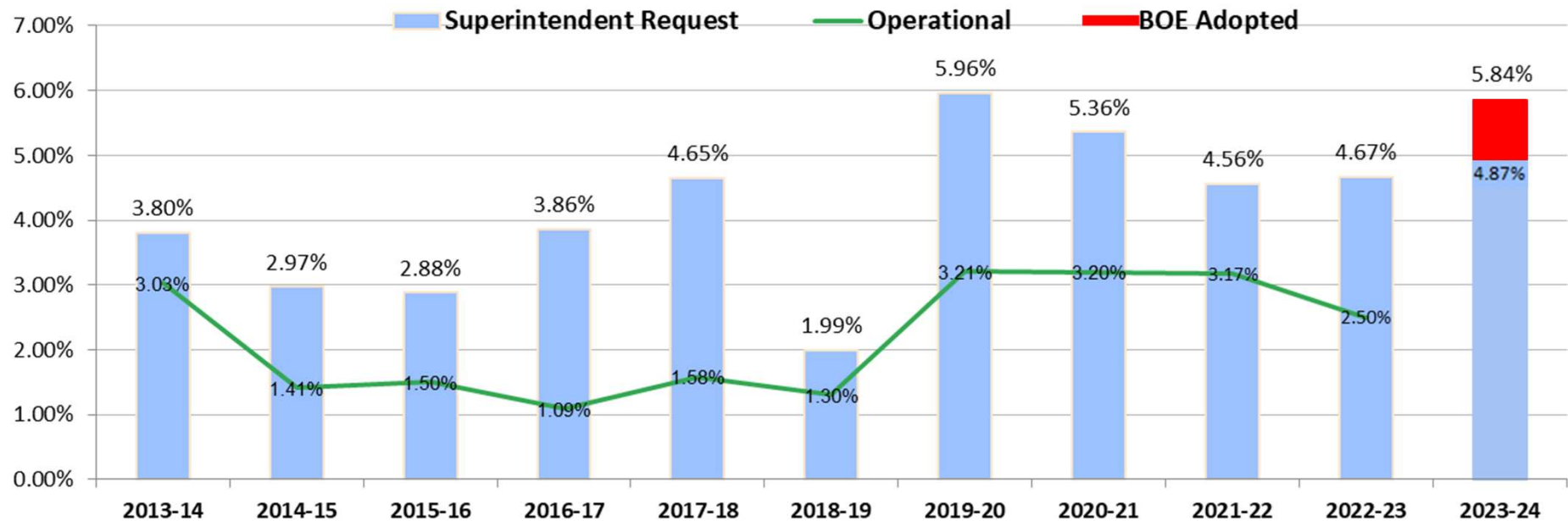
	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	Projected 2023-2024
Choice Students	92	131	116	121	109	96	110
Total Enrollment	2781	2787	2735	2688	2678	2658	2612
% Choice Students	3.31%	4.70%	4.24%	4.50%	4.07%	3.61%	4.21%

- For the 2022-2023 school year, we offered 39 new seats for Choice students and 19 were filled.
  - 11 kindergarten students
  - 3 second grade, 2 fourth grade, 1 fifth grade and 2 seventh grade – all siblings/relatives of students
- Open Choice Funding is based on the percentage of enrollment. As the percentage of Open Choice students decreases, funding in the Open Choice Grant follows.

# Open Choice Anticipated Budget - \$1,031,875.00

<b>Opening Balance (Prior Year Carryover)</b>				<b>\$300,000.00</b>
<b>Anticipated Revenue</b>				<b>\$731,875.00</b>
<b>Anticipated CHOICE Funds for FY 24</b>				<b>\$1,031,875.00</b>
<b>Expense Type</b>	<b>FY 2023 Budget</b>	<b>FY 2024 Budget</b>	<b>Dollar Difference</b>	<b>Percentage Difference</b>
<b>Certified Salaries</b>				
BHS	\$167,201.00	\$171,039.00	\$3,838.00	2.30%
Griswold	69,869.00	74,435.00	4,566.00	6.54%
Hubbard	0.00	0.00	0.00	0.00%
McGee	94,251.00	95,929.00	1,678.00	1.78%
Willard	168,659.00	175,900.00	7,241.00	4.29%
subtotal:	499,980.00	517,303.00	\$17,323.00	3.46%
<b>Non Certified Salaries</b>				
BHS	\$35,139.00	\$36,193.00	\$1,054.00	3.00%
Griswold	71,400.00	86,895.00	15,495.00	21.70%
Hubbard	39,456.00	40,354.00	898.00	2.28%
McGee	47,974.00	52,531.00	4,557.00	9.50%
Willard	108,966.00	111,448.00	2,482.00	2.28%
subtotal:	302,935.00	327,421.00	24,486.00	8.08%
<b>Special Education Outplacements</b>	100,000.00	\$187,151.00		
<b>Total Choice Budget:</b>	<b>\$902,915.00</b>	<b>\$1,031,875.00</b>	<b>\$128,960.00</b>	<b>14.28%</b>

# Budget Funding History



The 5.84% represents the Board of Education's adopted budget for fiscal year 2023-24.

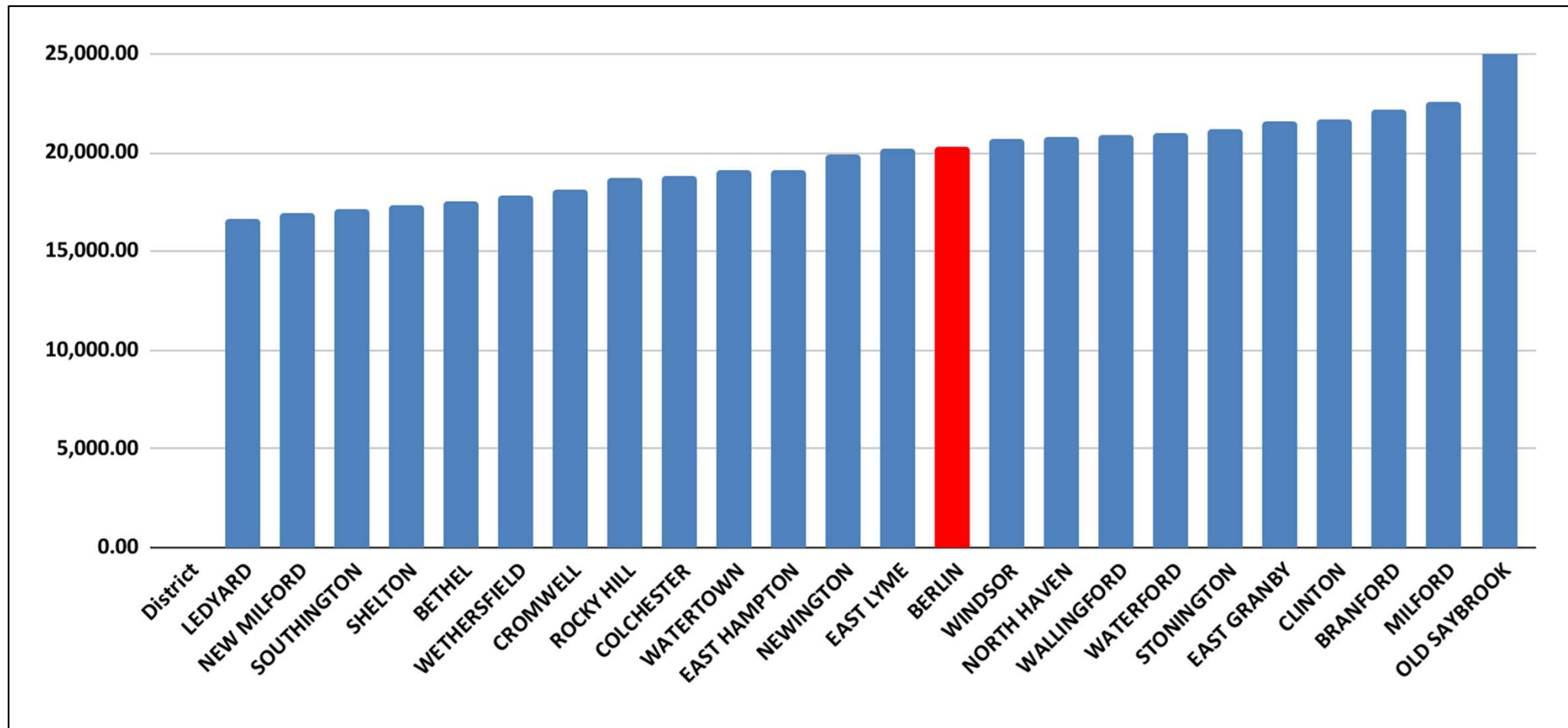
# Berlin's adopted budgets in the past two years have compared favorably.

District	Adopted 2018-19	Adopted 2019-20	Adopted 2020-21	Adopted 2021-22	Adopted 2022-23	5 Yr. Average Increase
Rocky Hill	4.54%	2.50%	3.84%	3.75%	3.26%	3.58%
Cromwell	1.53%	3.29%	3.60%	2.97%	3.81%	3.04%
Farmington	2.54%	2.90%	3.35%	3.30%	2.99%	3.02%
Wethersfield	2.97%	3.50%	2.05%	0.53%	4.98%	2.81%
Berlin	1.30%	3.21%	3.20%	3.17%	2.50%	2.68%
Glastonbury	1.91%	3.16%	2.81%	1.60%	2.98%	2.49%
Newington	3.40%	2.70%	2.67%	0.00%	2.46%	2.25%

# DRG D Budget Percentage Increase Requested for 2023-24

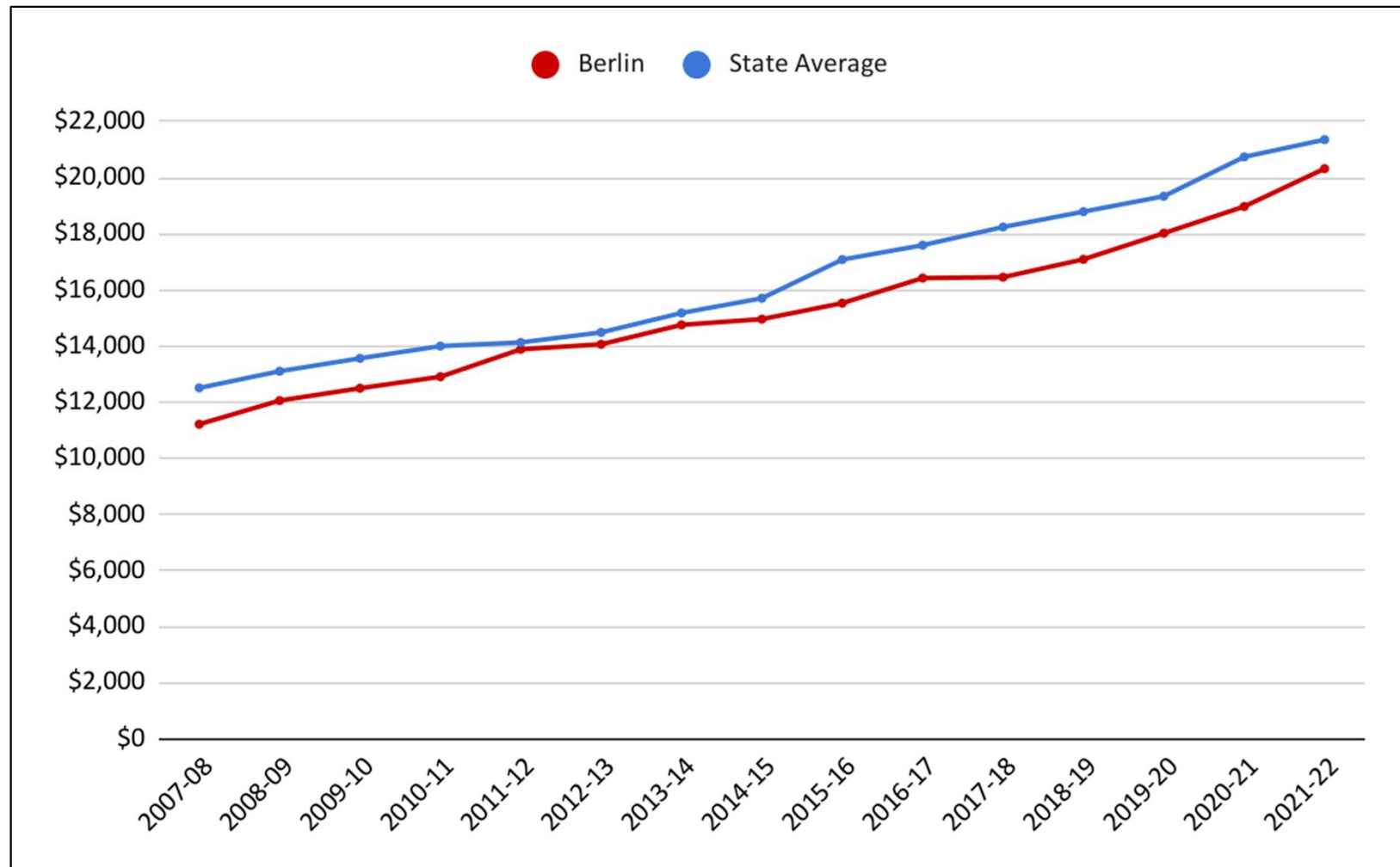
District	Percent Requested	DRG
North Haven	2.87%	D
Clinton	2.93%	D
Ledyard	3.94%	D
Milford	4.39%	D
East Granby	4.79%	D
Rocky Hill	4.79%	D
Windsor	4.84%	D
Old Saybrook	4.94%	D
East Hampton	5.80%	D
<b>Berlin</b>	<b>5.84%</b>	<b>D</b>
Bethel	5.95%	D
Waterford	5.99%	D
Shelton	6.00%	D
Wallingford	6.21%	D
Cromwell	6.94%	D
Newington	6.95%	D
East Lyme	6.97%	D
Southington	7.31%	D
Average Percentage Requested	5.41%	

# NCEP - Net Current Expenditure per Pupil



\*Information was revised following updated information posted on the CSDE website in January 2023.

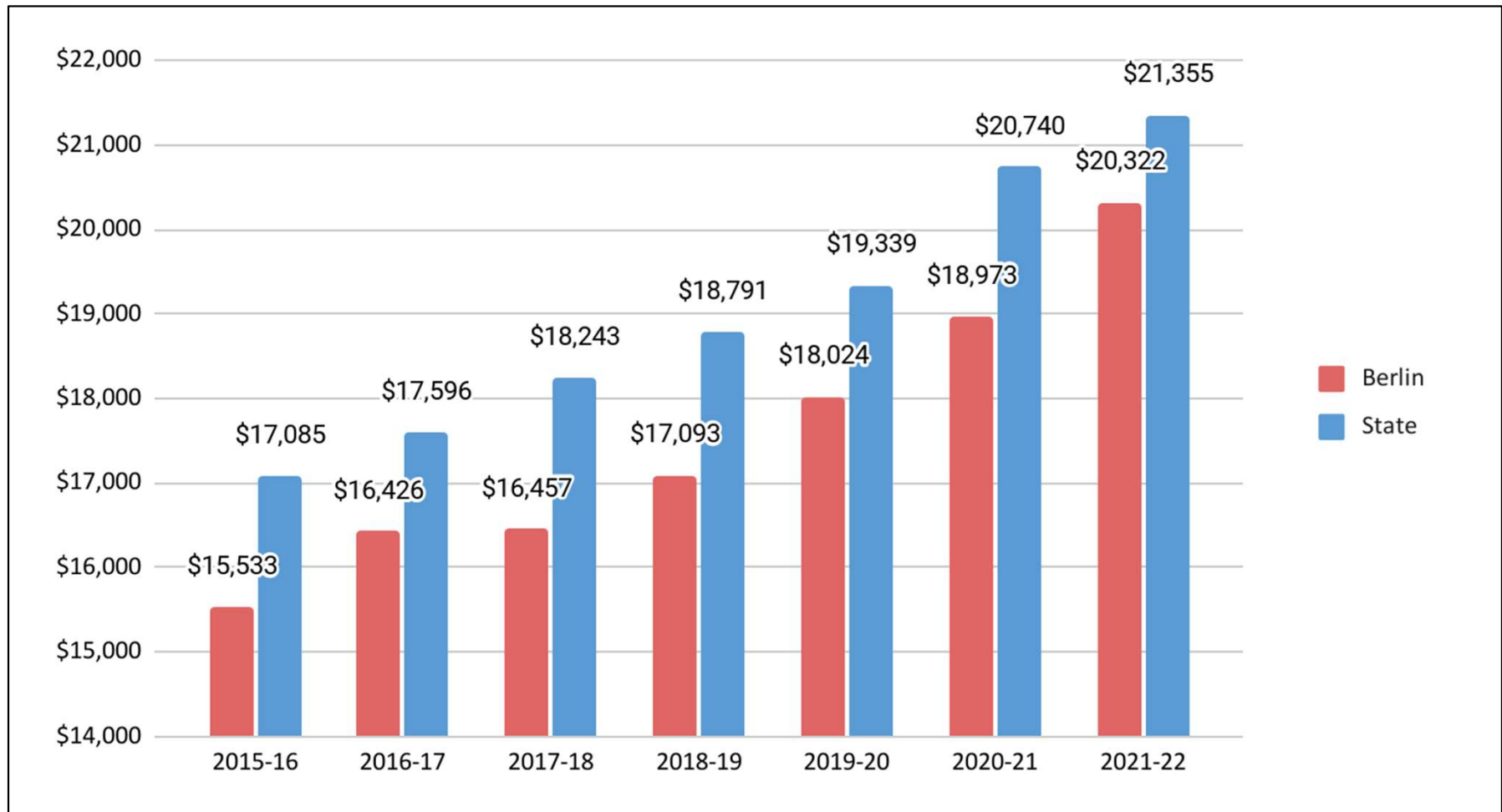
# Berlin and State Per Pupil Expenditure



In the 21-22 school year, state per pupil spending was \$21,355, Berlin's per pupil spending was \$20,322 or \$1,033 less than the state.

\*Information was revised following updated information posted on the CSDE website in January 2023.

# Berlin and State Per Pupil Expenditure



The Wealth Ranking in fiscal year 2022 was 60 out of 169.

## HISTORICAL BERLIN NET CURRENT EXPENDITURE PER PUPIL (NCEP)/WEALTH RANKINGS

The chart illustrates the per-pupil spending (NCEP) Ranking for Berlin along with its wealth ranking. In both columns, ranking #1 would be the "best" town and ranking #169 would be the "lowest".

YEAR	WEALTH RANK	NCEP RANK	BERLIN NCEP	STATE NCEP	+/-	# DAYS
2012-13	64	102	\$14,067	\$14,491	(\$424)	181
2013-14	60	103	\$14,760	\$15,183	(\$423)	182
2014-15	65	116	\$14,964	\$15,708	(\$744)	183
2015-16	69	108	\$15,533	\$17,085	(\$1,552)	183
2016-17	72	101	\$16,426	\$17,596	(\$1,170)	180
2017-18	65	106	\$16,457	\$18,243	(\$1,786)	180
2018-19	72	108	\$17,093	\$18,791	(\$1,698)	180
2019-20	60	96	\$18,024	\$19,339	(\$1,315)	181
2020-21	60	106	\$18,973	\$20,740	(\$1,767)	177
2021-22	60	86	\$20,322	\$21,355	(\$1,033)	180

NCEP - Includes all educational expenses, less expenditures for (a) pupil transportation; (b) debt services; (c) adult education; (d) health and welfare services for non-public school children (e) tuition receipts; (f) food services; and (g) student activities supported by gate receipts. Sec 10-261

Per Connecticut State Department of Education Website

**Wealth Rank is the AENGLC (Adjusted Equalized New Grand List per Capita)**

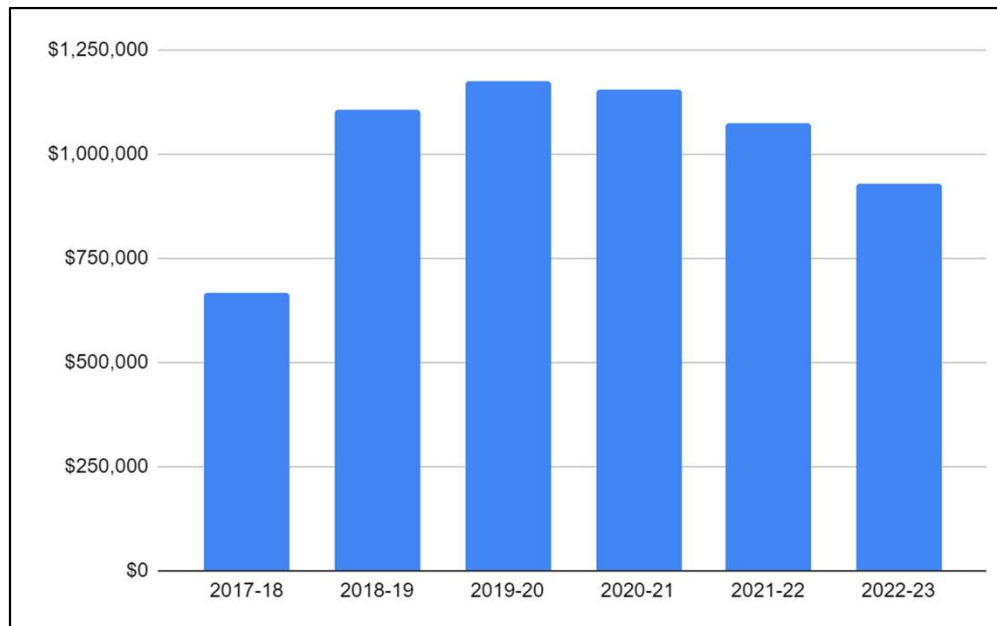
\*Information was revised following updated information posted on the CSDE website in January 2023.

# Federal Funding

FEDERAL GRANTS	2017-2018	2018-2019	2019-2020	2020-21	2021-2022	2022-2023
CRF				\$444,675	\$0	\$0
IDEA PART B 611 SPED	\$591,291	\$606,148	\$610,115	\$615,585	\$635,223	\$637,614
IDEA PART B 619 SPED	\$20,192	\$20,803	\$21,242	\$21,324	\$21,515	\$22,286
ESSER I				\$144,775	\$0	\$0
ESSER II				\$0	\$308,945	\$332,922
ESSER ARP				\$0	\$521,000	\$264,942
TITLE 1	\$256,562	\$144,895	\$174,792	\$147,626	\$181,761	\$105,381
TITLE II PART A	\$50,839	\$46,125	\$46,665	\$41,094	\$47,663	\$46,754
TITLE III	\$20,106	\$19,799	\$19,799	\$14,686	\$14,262	\$14,247
<b>FEDERAL GRANT TOTALS</b>	<b>\$938,990</b>	<b>\$837,770</b>	<b>\$872,613</b>	<b>\$1,429,765</b>	<b>\$1,730,369</b>	<b>\$1,424,146</b>
<b>FEDERAL GRANTS (less CRF &amp; ESSER)</b>				<b>\$840,315</b>	<b>\$900,424</b>	<b>\$826,282</b>

# State Funding

STATE GRANTS	2017-2018	2018-2019	2019-2020	2020-21	2021-2022	2022-2023
ADULT ED	\$11,151	\$12,710	\$11,044	\$11,038	\$11,938	\$15,569
PERKINS	\$22,192	\$22,424	\$23,278	\$23,021	\$26,445	\$27,737
TEAM MENTOR	\$0	\$0	\$6,818	\$3,441	\$2,974	TBD
CHOICE - ENTITLEMENT	\$552,000	\$968,500	\$985,500	\$987,000	\$901,615	\$768,625*
SHEFF - CHOICE	\$80,025	\$105,325	\$146,925	\$132,200	\$133,750	\$119,350
<b>STATE GRANT TOTALS</b>	<b>\$665,368</b>	<b>\$1,108,959</b>	<b>\$1,173,565</b>	<b>\$1,156,700</b>	<b>\$1,076,722</b>	<b>\$931,281</b>



\* The CHOICE entitlement grant is estimated based on enrollment on 10/2022. Actual funding is subject to change.

# Elementary Projected Enrollment

Griswold

Griswold Elementary School			
Grade	Projected 2023-24 Enrollment	# Teachers	Projected 2023-24 Average
K	80	5	16.0
1	93	4	23.3
2	86	4	21.5
3	82	4	20.5
4	87	4	21.8
5	87	4	21.8
<b>Total</b>	<b>515</b>	<b>25</b>	Net Change -11

Hubbard

Hubbard Elementary School			
Grade	Projected 2023-24 Enrollment	# Teachers	Projected 2023-24 Average
K	35	2	17.5
1	29	2	14.5
2	43	2	21.5
3	30	2	15.0
4	43	2	21.5
5	37	2	18.5
<b>Total</b>	<b>217</b>	<b>12</b>	Net Change -10

Willard

Willard Elementary School			
Grade	Projected 2023-24 Enrollment	# Teachers	Projected 2023-24 Average
K	60	4	15.0
1	58	3	19.3
2	71	4	17.8
3	69	3	23.0
4	51	3	17.0
5	71	4	17.8
<b>Total</b>	<b>380</b>	<b>21</b>	Net Change -4

# Secondary Projected Enrollments

McGee

McGee Middle School			
Grade	2022-23 Enrollment as of 10/1/2022	Projected 2023-24 Enrollment	Net Change
6	182	200	
7	197	185	
8	203	202	
Total	582	587	5

Berlin  
High School

Berlin High School			
Grade	2022-23 Enrollment as of 10/1/2022	Projected 2023-24 Enrollment	Net Change
9	199	203	
10	234	198	
11	195	233	
12	256	222	
Total	884	856	-28



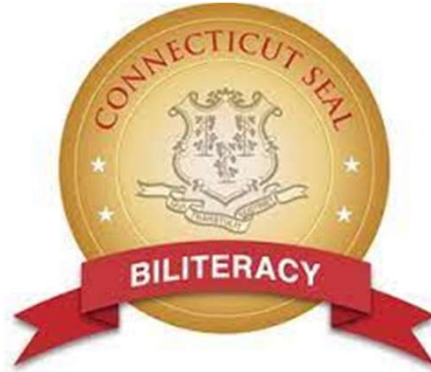
A school district's budget reflects the **commitment** of the community to **invest in the future** of our children.

The erosion of funding for education challenges the sustainability of Berlin as a **competitive** school district with **rich educational and co-curricular opportunities** for our students.

# 5 Year Mill Rate Comparisons

District	FY 2018-2019	FY 2019-2020	FY 2020-2021	FY 2021-2022	FY 2022-2023	5 Year Change
Cromwell	30.33	30.33	30.33	30.33	33.33	3.00
Glastonbury	36.00	36.36	36.90	37.32	37.30	1.30
Wethersfield	40.78	40.74	40.69	40.67	41.08	0.30
Farmington	27.18	27.97	27.97	28.81	29.32	2.14
Rocky Hill	32.40	32.5	33.60	34.10	34.52	2.12
Berlin	32.50	33.93	33.93	33.93	34.31	1.81
Newington	38.50	39.45	39.28	38.81	38.50	0.00

# 2022-2023 Recognitions

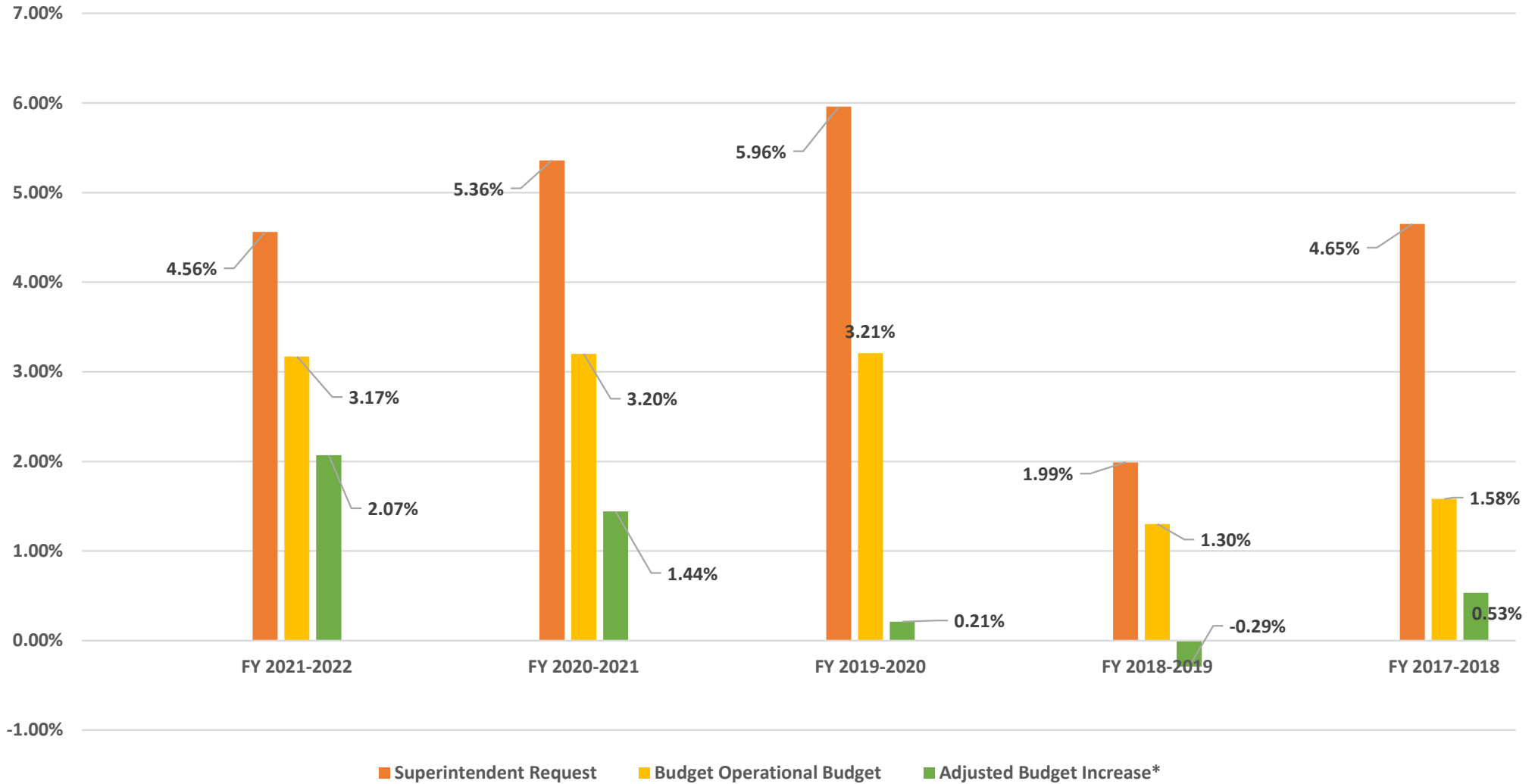


# Board of Finance Chairman's Slides

				BOE Budget Comparison							
	Superintendent Request		Operational Budget		Budget Surplus		Unexpended Choice Grant Funds		Adjusted Budget Increase		Reallocated Budget Surplus
Fiscal Year 2021-2022	4.56%		3.17%		0.00%		1.10%		2.07%		0.89%
Dollars \$(000)					\$ -		\$ 512				\$ 370
Fiscal Year 2020-2021	5.36%		3.20%		0.91%		0.85%		1.44%		1.89%
Dollars \$(000)					\$ 408		\$ 383				\$ 848
Fiscal Year 2019-2020	5.96%		3.21%		0.92%		2.50%		-0.21%		0.71%
Dollars \$(000)					\$ 400		\$ 1,093				\$ 308
Fiscal Year 2018-2019	1.99%		1.30%		0.90%		0.69%		-0.29%		1.37%
Dollars \$(000)					\$ 382		\$ 292				\$ 590
Fiscal Year 2017-2018	4.65%		1.58%		1.05%		0%		0.53%		Not Available
Dollars \$(000)					\$ 443		\$ -				Not Available

## BOE Budget Comparison

\*Adjusted for Year-End Budget Surplus & Unexpended Choice Funds



# General Government

(including Berlin Water Control)

# General Government Operations

	<b>FY22 Actual Expenditures</b>	<b>FY23 Original Budget</b>	<b>FY23 Amended Budget</b>	<b>FY24 Department Budget</b>	<b>FY24 Manager Budget</b>	<b>Manager/ Original Chg</b>	<b>Manager/ Original % Chg</b>
<b>General Government</b>	\$3,188	\$3,668	\$3,718	\$3,867	\$3,794	\$126	3.4%
<b>Townwide</b> (excluding <u>closed</u> DB pension)	\$904	\$1,666	\$1,562	\$1,532	\$1,532	(\$134)	-8.1%
<b>Legal</b>	\$365	\$419	\$419	\$421	\$421	\$2	0.5%
<b>Community Development</b>	\$1,033	\$1,326	\$1,329	\$1,380	\$1,380	\$53	4.0%
<b>Public Safety</b>	\$9,455	\$10,065	\$10,078	\$10,159	\$10,153	\$88	0.9%
<b>Physical Services</b>	\$7,152	\$8,417	\$8,431	\$8,637	\$8,637	\$220	2.6%
<b>Parks, Recreation and Libraries</b>	\$4,408	\$5,100	\$5,121	\$5,333	\$5,333	\$233	4.6%
<b>Health and Human Services</b>	\$2,219	\$2,486	\$2,499	\$2,541	\$2,541	\$56	2.2%
<b>TOWN OPERATIONS</b>	\$28,724	\$33,146	\$33,157	\$33,870	\$33,790	\$644	1.9%
Additional Police (4 new sworn officers - pension in LT Liabilities below)	\$0.00	\$0.00	\$0.00	\$454	\$454	\$454	N/A
<b>Schools (Departments 59 &amp; 61)</b>	\$4,320	\$4,906	\$4,909	\$5,198	\$5,198	\$292	6.0%

# General Government drivers of 1.9% increase

- Essentially flat except for contractual increases:
  - Inflation: gas/diesel contracts signed for lower than anticipated
  - Health insurance administration bid – change possible
  - Non-Public Safety personnel changes self-funded
- Existing wages net increase: +\$182k
- Health insurance: +\$210k
- New position wages: +\$165k
  - New Golf Course Director (netted against stipend previously paid to Acting Director)
  - Bring starters/rangers at Timberlin back TOB: \$100k
  - Funded through Timberlin fees, not taxes

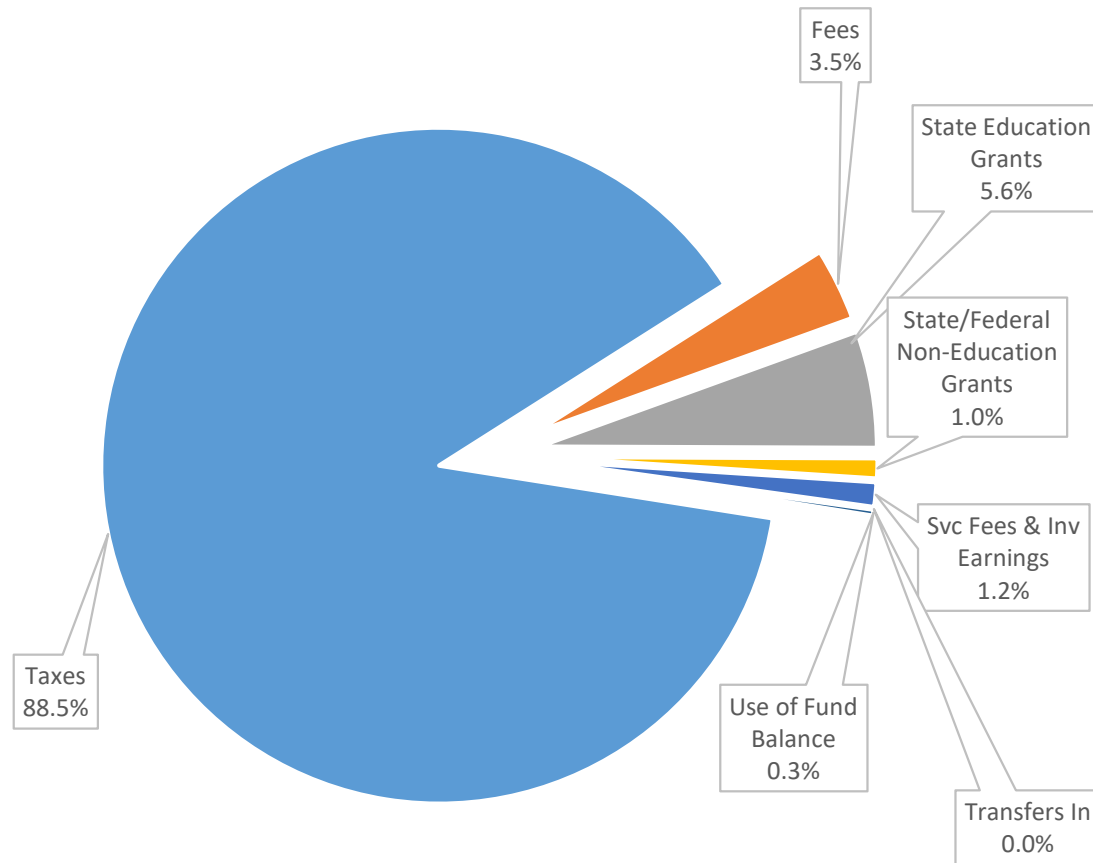
*Moving Police Extra Duty receipts and expenditures from General Fund budget to Special Revenue Fund to create sustainable, non-tax capital funding source for critical Police needs*

**QUESTIONS?**

# Revenue

# Revenue

- Local taxes
  - Fund 88.5% of GF budget
  - Collection rate remains 99.3%
- State Education Grants – flat
- State MV cap (not likely to repeat)
- User fees – flat excluding removal of Police Extra Duty (offsetting cost removed from expenditures)
- Interest income increased \$1 million – reflects higher rates & projected cash outflows
- Replaces one-time sources in the adopted FY23 budget:
  - ARPA grant \$300k
  - Fund Balance: \$565k
- Fund balance funds contingency (\$300k)



6/30/2022 Actual Balance (Audited)	\$13,029,120
Use of fund balance - Fire Vehicle (50% deposit)	(\$550,000)
Use of fund balance - Percival Field	(\$250,000)
Use of fund balance - Police Station	(\$300,000)
Use of fund balance - Atkins Street purchase	(\$1,000,000)
Operating surplus/(deficit) - receipts (unaudited)	\$3,022,496
Operating surplus/(deficit) - expenditures (unaudited)	\$1,470,951
<b>6/30/2023 Projected Balance (unaudited)</b>	<b><u>\$15,422,567</u></b>
FY2023 Adopted General Fund Budget	\$96,625,778
<b>6/30/2023 Projected Balance (unaudited) as a % of FY23 GF Budget</b>	<b>16.0%</b>

<b>6/30/2023 Project Balance in Excess of 11% Policy Floor</b>	<b>\$4,793,732</b>
<u>Proposed Uses of Unassigned Fund Balance Over Floor</u>	
Elementary school HVAC project	(\$3,129,556)
Police station renovations	(\$1,000,000)
<i>BOE/Town file scanning - approved by TC/BOF</i>	<i>(\$403,000)</i>
Relocate food pantry	TBD
Golf Course Bridges	\$0
Steele Boulevard contingency	TBD
<b>6/30/2023 Project Balance in Excess of 11% Policy Floor (after uses)</b>	<b>\$261,176</b>
<b>6/30/2023 Projected Balance (unaudited) as a % of FY23 GF Budget (after uses)</b>	<b>11.3%</b>

**Potential future demands on fund balance:**

- Lump sum DB pension payouts
- Biscoglio Field turf
- HVAC upgrades
- Police Station renovations
- Steele Boulevard
- Local share of grants
- School vans
- Griswold portables
- Timberlin buildings
- Backstop for:
  - Berlin Water Control & 2 Water Districts (if needed)
  - Insurance Funds
  - Special Education costs

**QUESTIONS?**

# Long-term Liabilities

# Long-Term Liabilities

- Continue goal of reducing debt year-over-year
  - Borrow less than retire
    - Retiring: (\$6,320,000)
    - Propose to Issue: \$6,221,526
  - \$6.2 million of new proposed bonding
    - Police Station renovations & School HVAC upgrades
    - Assumes \$4.1 million of FY23 projected surplus applied to these projects to keep debt level down

## PD Renovations

Construction	\$5,475,000
Design/Bidding	(\$316,167)
FY23 Surplus	(\$1,000,000)
<b>Bond</b>	<b>(\$4,158,833)</b>

## HVAC - Griswold

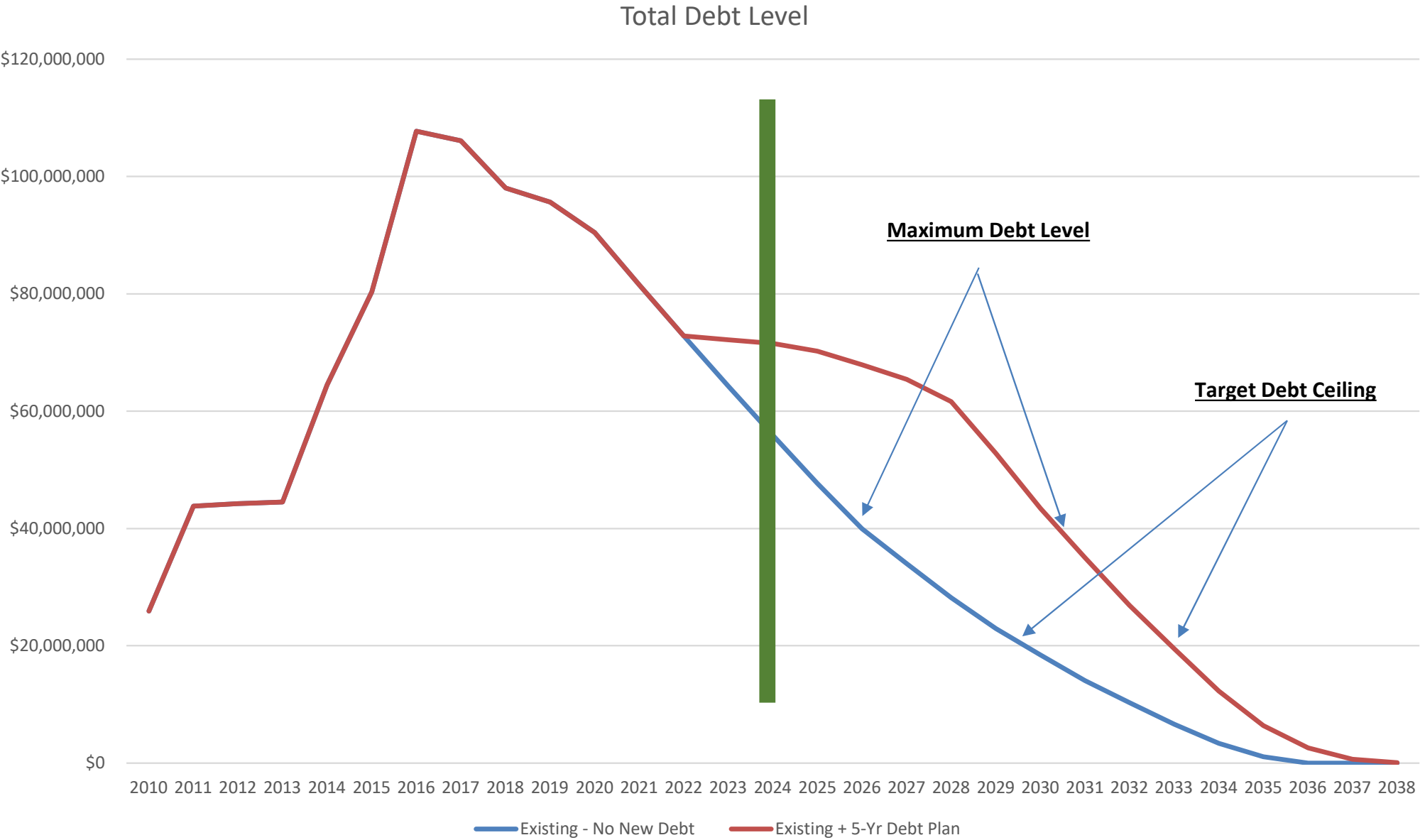
Construction	\$2,212,693
Construction Mgmt	\$934,625
Remediation	\$250,000
State HVAC Grant	(\$1,000,000)
FY23 Surplus	(\$1,334,625)
<b>Bond</b>	<b>(\$1,062,693)</b>

## HVAC - Hubbard

Construction	\$3,275,790
Construction Mgmt	\$934,625
Remediation	\$250,000
State HVAC Grant	(\$1,000,000)
ARPA Grant	(\$665,484)
FY23 Surplus	(\$1,794,931)
<b>Bond</b>	<b>(\$1,000,000)</b>

# Future Projected Debt Issues

<u>Department</u>	<u>Project</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>
Public Buildings	Roof Repl-Est (Town Hall)	\$1,200,000			
Public Works	Glen Street Bridge	\$2,000,000			
Schools	Window Replacement - McGee	\$3,000,000			
Public Buildings	Roof Replacement (Library)		\$1,200,000		
Public Buildings	Chiller Replacement (Community Center/Library)		\$2,100,000		
Public Works	Paper Goods Pond Dam		\$450,000		
Public Buildings	Pool Building - Percival		\$750,000		
Schools	Boiler Replacement - Hubbard (2)		\$500,000	\$500,000	
Schools	Boiler Replacement - Willard (2)		\$500,000	\$500,000	
Schools	Boiler Replacement - Griswold		\$500,000	\$500,000	
Fire Department	Pumpers		\$450,000		\$1,600,000
Public Buildings	Pool Building - East Berlin			\$750,000	
Schools	Window Replacement - Willard			\$2,000,000	
Schools	Window Replacement - Griswold			\$1,800,000	
Schools	Window Replacement - Hubbard				\$1,800,000
Fire Department	Rescue Trucks				\$1,000,000
	TOTAL	\$6,200,000	\$6,450,000	\$6,050,000	\$4,400,000



# Long-term Liabilities – DB Pension Plans

- Existing (closed) DB plan:
  - Net liability: \$1,023,321
  - Funded %: 86.3%
  - Actuarially determined contribution: \$742,609
  - 5 active participants\* & 15 inactive/retirees/beneficiaries
- New Police DB plan:
  - Assume adopted by 7/1/2023
  - Normal cost: \$653,154
  - Annual Town Subsidy: \$279,565 (assumes 5-yr amortization of total subsidy)
- **TOTAL NET DB PENSION: \$1,217,889**
  - Closed Plan: \$742,609
  - New Plan: \$932,719
  - Remove Existing Police DC: (\$457,439)

\* 1 active participant retired on 2/10/2023 but final impact to net liability is not available yet

**QUESTIONS?**

# Capital

Berlin has considerable assets that require  
maintenance and periodic replacement.

37 bridges  
110 miles of roads  
5 schools  
Town Hall  
Community Center/Library  
Senior Center  
Golf Course  
Animal Control  
Physical Services Complex (includes recycling ctr & salt bldg.)  
14 Police patrols  
13 Fire apparatus  
2,317 parks acreage  
2,559 streetlights & poles  
2 swimming pools & 2 pool buildings  
11 playgrounds  
15 baseball/softball fields  
11 soccer/football fields

# FY24 Capital Budget

- Departments requested \$5.4 million
- Proposing \$2.7 million (0.9% of gross major capital assets from 6/30/2022 ACFR)
- Primary Focus:
  - Public safety
  - Education
  - Deferred purchases & projects
  - Support POCD goals
- Future General Fund & Surplus funding:

	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>
GF	\$4,054,000	\$5,513,934	\$6,011,291	\$3,393,687
Surplus	\$1,600,000	\$1,233,400	\$105,000	\$418,240
TOTAL	<u>\$5,654,000</u>	<u>\$6,747,334</u>	<u>\$6,116,291</u>	<u>\$3,811,927</u>

# Total Proposed FY24 Capital Plan

Category	Department	Purchase/Project	Funding Source	Amount
Education	Schools	BHS-2100 Block-Slab on Grade Ground Water, Moisture, Flooring	GF	\$200,000
Vehicles	Highway	Large dump truck body replacement	GF	\$225,000
Education	Schools	Vans - capital	GF	\$140,000
Education	Schools	Camera Upgrades (District)	GF	\$195,000
Infrastructure	Golf Course	Bridges - 7 on course; \$50k per bridge (estimate)	GF	\$50,000
Education	Schools	Resurface Basketball/Tennis Courts (assume yr 7)	GF	\$75,000
Education	Schools	Willard Ballast Block Replacement	GF	\$70,000
Vehicles	Highway	Pickup Truck	GF	\$65,000
Infrastructure	Information Technology	Police Modems (and related hardware)	GF	\$50,000
Vehicles	Police Department	Vehicle - Marked/Unmarked - (5% incr. in out yrs)	GF	\$200,000
Education	Schools	Doors & Hardware - BHS	GF	\$36,000
Infrastructure	Public Buildings	Town Clerk/Assessor Vault/Office Renovations	GF	\$200,000
Infrastructure	Public Grounds	Replace equipment at Little People's Playground	GF	\$200,000
Vehicles	Public Grounds	Track Snow Machine	GF	\$80,000
Vehicles	Public Grounds	Pick Ups (with utility body & plow)	GF	\$80,000
Vehicles	Public Grounds	Service Truck (with utility body & plow)	GF	\$80,000
Vehicles	Animal Control	Animal Control Van	GF	\$65,000
Vehicles	Public Buildings	Facilities - Van	GF	\$50,000
Education	Schools	Replace Equipment at Willard School Playgrounds	GF	\$175,000
Education	Schools	Energy & Infrastructure - Consulting, A&E, Grant Match	GF	\$75,000
Infrastructure	Public Buildings	Energy & Infrastructure - Consulting, A&E, Grant Match	GF	\$75,000
Infrastructure	Public Grounds	Pickleball Courts (East Berlin tennis courts replacement)	GF	\$300,000
				<b>\$2,686,000</b>

Category	Department	Purchase/Project	Funding Source	Amount
Education	Schools	1969 Science Classroom Renovations (4) (McGee)	Surplus	\$250,000
Vehicles	Highway	Flatbed Truck with power lift tailgate	Surplus	\$75,000
Vehicles	Highway	Small dump truck	Surplus	\$110,000
Infrastructure	Public Buildings	Roof Replacement (Senior Center)	Surplus	\$100,000
Vehicles	Police Department	Vehicle - DARE Pickup Truck	Surplus	\$60,000
Vehicles	Police Department	Vehicle - Supervisor SUV	Surplus	\$44,000
Education	Schools	Auditorium & Stage Renovation (McGee)	Surplus	\$80,000
Infrastructure	Public Buildings	Timberlin Clubhouse Bathroom Renovations	Surplus	\$80,000
Infrastructure	Public Works	Sage Park Parking Lot	Surplus	\$400,000
Vehicles	Highway	Guardrail Mower Attachments	Surplus	\$120,000
Vehicles	Police Department	Vehicle - ATV/UTV	Surplus	\$30,000
Infrastructure	Public Buildings	Electrical panel upgrade (Town Hall)	Surplus	\$100,000
Education	Schools	Lavatory Upgrades (Griswold, Hubbard, Willard)	Surplus	\$350,000
Education	Schools	Hubbard Library Media Center and Courtyard	Surplus	\$105,000
Education	Schools	Band Room Renovation (McGee)	Surplus	\$25,000
Education	Schools	Convert one science room to regular classroom (McGee)	Surplus	\$25,000
Infrastructure	Public Buildings	Timberlin Clubhouse Floor	Surplus	\$50,000
Infrastructure	Golf Course	Toro Tri-Plex Greensmower	Surplus	\$35,359
Infrastructure	Public Buildings	Boiler replacement (Timberlin)	Surplus	\$25,000
Infrastructure	Public Buildings	South Kensington Fire House - building modifications	Surplus	\$75,000
Infrastructure	Public Buildings	Old Peck/Historical Society Renovations	Surplus	\$75,000
Infrastructure	Public Works	Paper Goods Pond Dam (consulting)	Surplus	\$65,000
Infrastructure	Public Buildings	Exterior repairs to Art League Building	Surplus	\$50,000
Infrastructure	Public Buildings	Deming Road House (Mobile Home caretakers house)	Surplus	\$50,000
Infrastructure	Public Grounds	Demore, Dinda, Bittner Jr. Memorial Pool Repairs	Surplus	\$300,000
Vehicles	Municipal Garage	4 Post Vehicle Lift	Surplus	\$12,500
Infrastructure	Public Buildings	ADA upgrades (townwide)	Surplus	\$25,000
				<b>\$2,716,859</b>

**QUESTIONS?**

# Transfers

# Transfers

**NET Change: +\$264,880**

## New from FY23 Adopted Budget

- Local match for future grants: \$250,000
- Kensington Village architectural review: \$25,000

## Decreases from FY23 Adopted Budget

- Plan of Conservation & Development: \$25,000 (-\$10,120)

## No Change from FY23 Adopted Budget

- Pension, Health Insurance Administration
- Business Continuity
- Revaluation Fund
- Energy lease payments (debt service)

**QUESTIONS?**

# Berlin Water Control

# Berlin Water Control – Enterprise Fund

## **WCC BUDGET FY2023/24**

		2023		2024	
	2022 Actual	Adopted Budget	Amended Budget	Dept Head Requested	Town Mgr Approved
<b>Water Fund Total Expense</b>	1,342,620	2,460,504	2,460,504	2,204,023	2,204,023
<b>Sewer Fund Total Expense</b>	2,713,035	3,533,363	3,533,363	3,489,259	3,489,259
	<b>4,055,655</b>	<b>5,993,867</b>	<b>5,993,867</b>	<b>5,693,282</b>	<b>5,693,282</b>

- Combined operating budget change: -\$301k (-5.01%)
  - Removed capital projects that will be debt funded
  - Included consulting and software requirements to address audit fundings
  - No staffing changes budgeted
  - Budgeting projected Mattabasset cost increase
- Capital needs:
  - Deming Road pump station
    - Fund with Sewer Fund reserves
    - MOU for MDC to pay majority of cost over 5-years
  - Meriden water line connection
    - DWSRF Loan (pursue grant to offset some borrowing)
    - Need connection for Lamentation Tank project (see below)
  - Lamentation tank corrosion rehabilitation
    - Critical project to maintain integrity of tank
    - Fund from Water Fund reserves
  - Kensington Road water line extension – DWSRF loan (pursue grants)
  - Berlin Turnpike pump station – CWF loan

**QUESTIONS?**