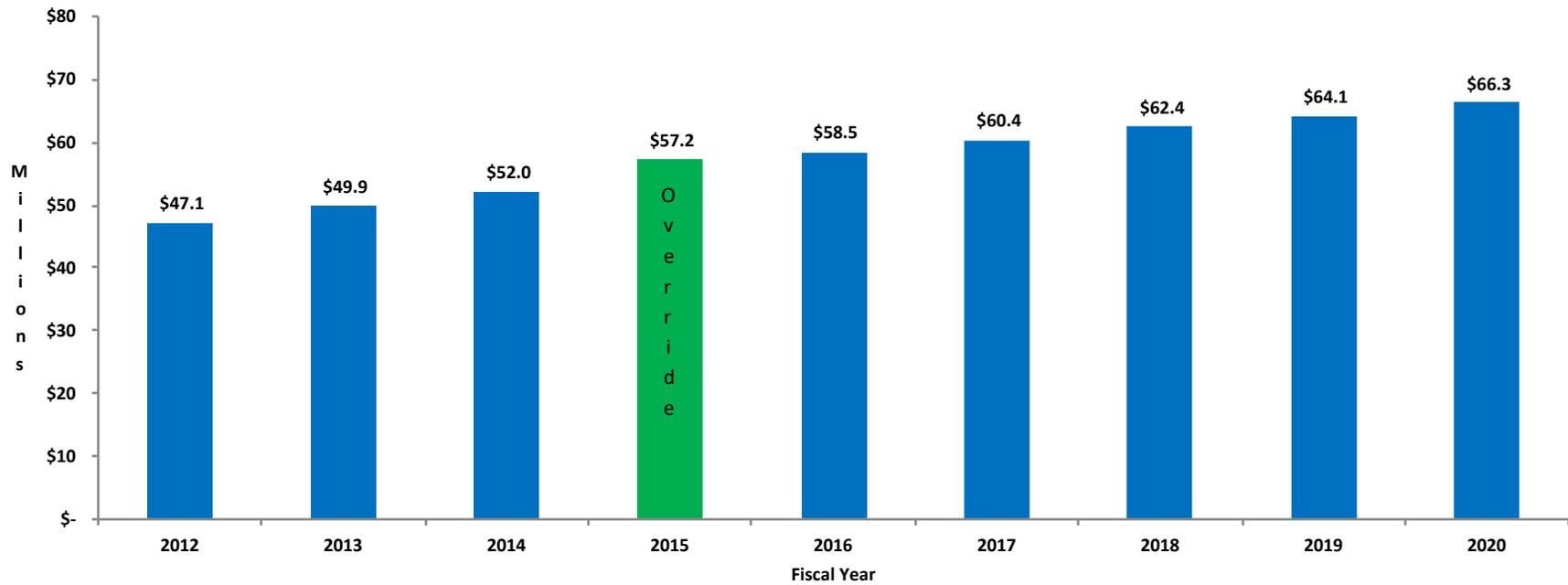


# FY21 Budget Workshop

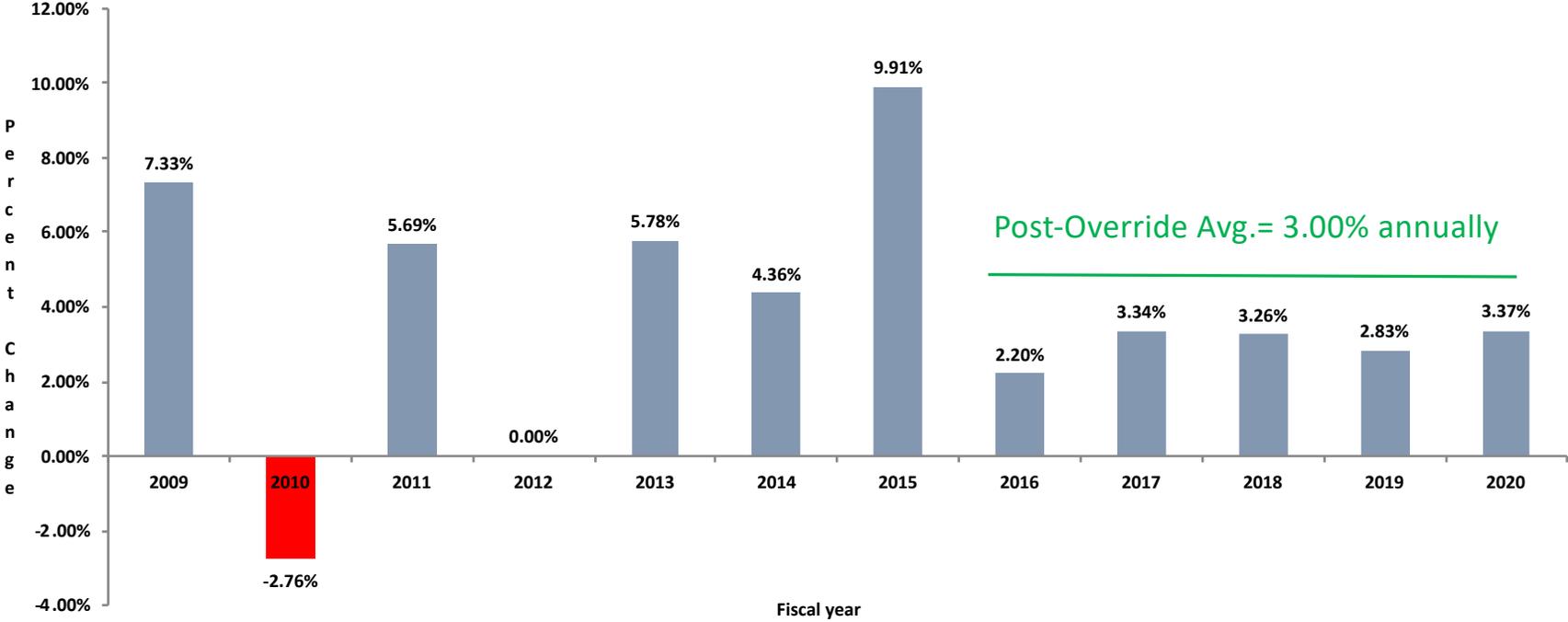
19 December 2019

# Budget Dollar History

Town Appropriated Budget History [Millions]

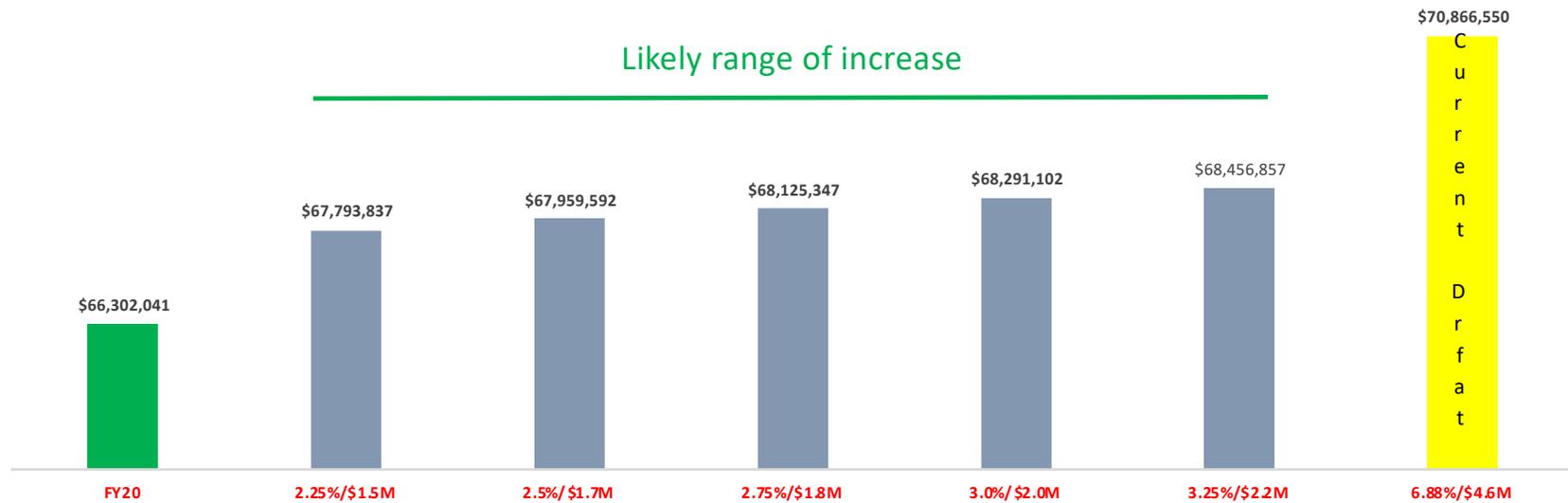


# Budget Percent History



# FY21 Budget Examples

FY21 Budget Examples with Initial FY21 Status Quo Budget



# Status Quo Budget Projection

- Carries forward all existing budgeted staff
  - The only new positions added at this point are three ABA Technician positions for mandated services. These may be reduced or eliminated at the next iteration of budget development.
  - Continues all existing educational programs
  - Projects in district and out of district enrollments and associated tuitions, if applicable
- 
- No targeted resources to fund Strategic Priorities
  - No funding to achieve Two-Year District Goals

# Initial FY21 Status Quo Budget Summary

School Committee Recap Sheet	Description	FY18 Actual	FY19 Actual	FY20 Budget	FY21 Proposal	FY20-FY21 Difference	%	Notes
A1	Administrative Central Office, Principals & Unit B	\$ 2,952,969	\$ 3,233,906	\$ 3,272,594	\$ 3,445,160	\$ 172,566	5.27%	Includes \$63K to offset phase-out of outside funding
A2	Unit A (Teachers & Nurses)	\$ 38,242,595	\$ 39,572,295	\$ 41,624,140	\$ 42,963,682	\$ 1,339,542	3.22%	Net impact of 2.9% COLA, retirements, personnel changes
A3	Aides/ABA/Paraprofessionals	\$ 6,090,204	\$ 6,374,913	\$ 7,291,529	\$ 7,631,358	\$ 339,829	4.66%	Net impact of 2.0% COLA, retirements, personnel changes
A4	Secretaries, Technology & Other Non-Represented	\$ 2,196,402	\$ 2,267,753	\$ 2,371,080	\$ 2,352,914	\$ (18,166)	-0.77%	Reduce Courier position to .5 and move tutor to Cat. A3
A5	Substitutes - Daily, Long Term & Sub Nurses	\$ 595,780	\$ 962,016	\$ 900,900	\$ 900,900	\$ -	0.00%	No change- still reviewing current trend
A6	Other Wages (See Note 1)	\$ 696,547	\$ 811,801	\$ 784,500	\$ 851,300	\$ 66,800	8.51%	Increase summer SPED wages budget
A7	Employee Benefits	\$ 352,109	\$ 391,377	\$ 351,750	\$ 396,750	\$ 45,000	12.79%	Increase retiree sick leave budget
B1	Regular Education & Voke Transportation	\$ 2,037,865	\$ 2,147,204	\$ 2,528,985	\$ 2,638,037	\$ 109,052	4.31%	Contract rate increase of 3%, increase Athletics busing
B2	Special Education Transportation	\$ 480,113	\$ 680,492	\$ 706,300	\$ 1,291,750	\$ 585,450	82.89%	Must add \$230K due to grant fund shift
C1	Special Education Tuitions (See Note 2)	\$ 3,697,313	\$ 2,258,824	\$ 1,356,803	\$ 2,969,047	\$ 1,612,244	118.83%	Assumes FY21CB rate of 73% for \$3.17M reim
C2	Vocational Tuitions	\$ 1,613,472	\$ 1,709,717	\$ 1,648,786	\$ 1,885,730	\$ 236,944	14.37%	Enrollment increase 97 to 110, 1.1% rate increase
D1	Administrative Contracted Services	\$ 485,665	\$ 633,166	\$ 611,833	\$ 648,028	\$ 36,195	5.92%	Add ClearGov-\$20K, increase in AVC member fee etc...
D2	Educational Contracted Services	\$ 430,783	\$ 621,944	\$ 679,910	\$ 694,910	\$ 15,000	2.21%	Increase fro graduation rentals and some SPED services
D3	Textbooks/Curriculum Materials	\$ 252,539	\$ 237,936	\$ 201,104	\$ 201,104	\$ -	0.00%	Level fund all accounts
D4	Professional Development	\$ 235,825	\$ 236,771	\$ 255,082	\$ 260,885	\$ 5,803	2.27%	Some membership fee increases
D5	Educational Supplies & Materials	\$ 262,910	\$ 308,154	\$ 273,689	\$ 273,689	\$ -	0.00%	Level fund all accounts
D6	Other Miscellaneous (i.e. Off. Supp., Ref. Mat.)	\$ 1,025,225	\$ 765,786	\$ 786,716	\$ 789,966	\$ 3,250	0.41%	Technology network cost increase
D7	Equipment	\$ 665,600	\$ 850,113	\$ 571,340	\$ 593,340	\$ 22,000	3.85%	iPad lease payment increase
D8	Utilities - Telephone Exp.	\$ 61,084	\$ 73,439	\$ 85,000	\$ 78,000	\$ (7,000)	-8.24%	Lower costs w/ new system-still reviewing
	<b>Total:</b>	<b>\$ 62,375,000</b>	<b>\$ 64,137,607</b>	<b>\$ 66,302,041</b>	<b>\$ 70,866,550</b>	<b>\$ 4,564,509</b>	<b>6.88%</b>	

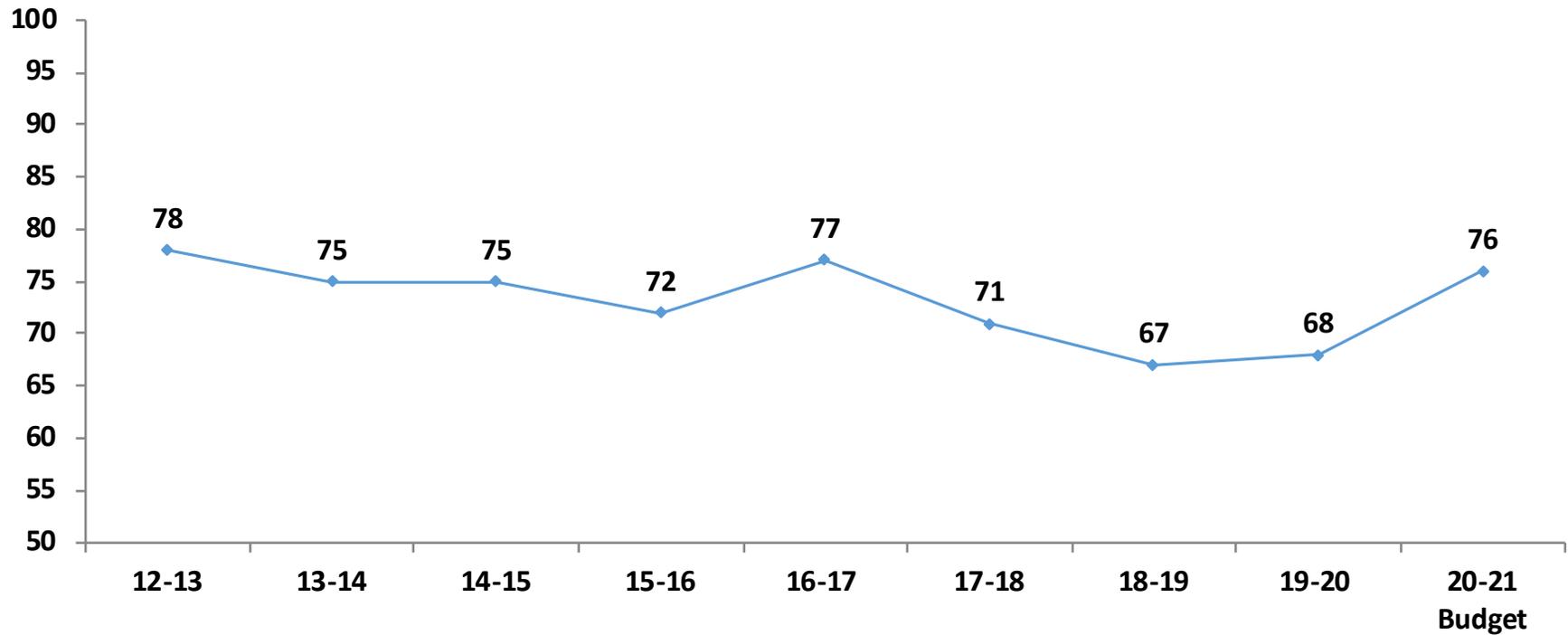
# Key Factors and Assumptions: Expenses

- SALARIES AND WAGES
  - Labor Units A [teachers], B [Asst. Principals], and D [paraprofessionals]: salaries and wages budgeted per settled contracts
  - Non-union salaries and wages with assumed 2% COLA
- SUPPLIES
  - Level-funded, no increase
- TRANSPORTATION
  - Yellow bus rate up 3% from \$412 to \$424 per day per bus
- SPECIAL EDUCATION OUT OF DISTRICT TUITIONS
  - Received a state-approved rate of 2.72%. Higher special education tuition increases were budgeted for “cost reconstructions” if approved by the state. See details.
- VOCATIONAL HIGH SCHOOL TUITIONS
  - Rate is up 1.1% to \$17,043 per student
  - Enrollment is up 13 students. See details.

# Vocational Budget Projection

	FY20		FY21 Draft		Budget Difference
	<i>Students</i>	<i>Tuition</i>	<i>Students</i>	<i>Tuition</i>	
<b>Budget</b>	97	\$ 1,648,786	110	\$ 1,874,730	\$ 225,944
<b>Actual</b>	102	\$ 1,719,312			
<b>Difference</b>	5	\$ (70,526)			
<i>Graduating Grade 12 class has 18 students and FY21 Grade 9 class budgted at 26.</i>					

# Special Education Out of District Projection



# Special Education Out of District Tuitions

	FY20	FY21 Draft	\$\$ Difference	% Difference
Total Tuitions	\$ 6,382,048	\$ 7,185,783	\$ 803,735	13%
Less Estimated Circuit Breaker Reim.	\$ (2,862,000)	\$ (3,165,736)	\$ (303,736)	11%
Less CB Funds On Account Carryover	\$ (900,000)	\$ (451,000)	\$ 449,000	-50%
Less Prior Year Budget Surplus	\$ (1,263,245)	\$ (600,000)	\$ 663,245	-53%
<b>Net Cost to Appropriations Budget</b>	<b>\$ 1,356,803</b>	<b>\$ 2,969,047</b>	<b>\$ 1,612,244</b>	<b>119%</b>
<b>** All FY21 figures are estimates subject to change prior to initial budget presentation.</b>				

\$500,000 is kept “on reserve” each year in the Circuit Breaker fund in event of an unexpected spike in Out of District Tuition costs. This practice affords a measure of budget stability and ability to mitigate or avoid mid-year crises.

# Circuit Breaker Reimbursement History and Initial Projection

	Students	Total Adj. Claim	Change	Foundation	Change	Net Claim	Change	Reim Amount	Reim Percent	Annual Change
<b>FY21 Budget</b>						<b>\$ 4,336,625</b>		<b>\$ 3,165,736</b>	<b>73%</b>	<b>\$ 340,789</b>
<b>FY20 Prelim</b>	<b>104</b>	<b>\$ 8,483,169</b>	<b>\$ (926,618)</b>	<b>\$ 4,716,576</b>	<b>\$ (487,932)</b>	<b>\$ 3,766,593</b>	<b>\$ (438,686)</b>	<b>\$ 2,824,947</b>	<b>75%</b>	<b>\$ (307,091)</b>
FY19	119	\$ 9,409,787	\$ 379,218	\$ 5,204,508	\$ 636,544	\$ 4,205,279	\$ (257,326)	\$ 3,132,038	74.4%	\$ (85,299)
FY18	107	\$ 9,030,569	\$ (85,117)	\$ 4,567,964	\$ 198,284	\$ 4,462,605	\$ (283,401)	\$ 3,217,337	72.1%	\$ (254,682)
FY17	104	\$ 9,115,686	\$ 463,633	\$ 4,369,680	\$ 343,056	\$ 4,746,006	\$ 120,577	\$ 3,472,019	73.2%	\$ 2,947
FY16	97	\$ 8,652,053	\$ 465,083	\$ 4,026,624	\$ (93,472)	\$ 4,625,429	\$ 558,555	\$ 3,469,072	75.0%	\$ 477,430
FY15	100	\$ 8,186,970	\$ 919,912	\$ 4,120,096	\$ 453,760	\$ 4,066,874	\$ 466,152	\$ 2,991,642	73.5%	\$ 291,096
FY14	91	\$ 7,267,058	\$ 623,582	\$ 3,666,336	\$ 377,934	\$ 3,600,722	\$ 245,648	\$ 2,700,546	75.0%	\$ 197,769
FY13	91	\$ 6,643,476	\$ 299,151	\$ 3,288,402	\$ 151,092	\$ 3,355,074	\$ 148,059	\$ 2,502,777	74.5%	\$ 220,911

The FY21 estimated Net Claim is based upon analysis and extrapolation of current year Out of District Tuition costs to date. The Special Education Office will do a draft Circuit Breaker claim for FY21 around Feb. 2020 after the file is released.

# Key Factors and Assumptions: Revenues that the School Dept. Forecasts & Controls

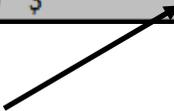
- Federal and state grants are budgeted for “level-funding” **except**:
  - We lose the \$90,000 state grant for Improving Access to Student Mental and Behavioral Health ceases at the end of this year. To continue services, the District budget must absorb this loss of funding.
  - We are required to shift \$230K from our annual IDEA special education grant [\$1.5M total] towards remedy of “Disproportionality Finding”. This shift requires us to increase our Appropriations Budget by the same amount.
- Retain existing fee levels except FDK reduce from \$2,400 to \$1,200
- Special Education Circuit Breaker Reimbursement with assumed rate of 73%

# Full Day Kindergarten Tuition

- We've been on a step-down pathway towards free, universal Full Day Kindergarten with the opening of the new Beal School.
  - Annual Tuition Rate- recent history
    - FY18 = \$4,000
    - FY19 = \$3,600
    - FY20 [current] = \$2,400
    - FY21 Draft Budget Assumption= \$1,200
- Data on MA districts that charge tuition for FDK
  - 2014-2015 school year= 72 out of 313 [23%] districts offering FDK
  - 2019-2020 school year= 38 out of 316 [12%] districts offering FDK

# Full Day Kindergarten Tuition Potential Options

Est. FDK Enrollment	Annual Tuition	Total Gross Revenue	Est. Net Revenue after SPED Placements and Financial Assistance [77% of gross]	Difference from Draft Budget	Notes
260	\$ 2,400	\$ 624,000	\$ 480,480	\$ 240,240	No change from '19-'20 SY
260	\$ 2,000	\$ 520,000	\$ 400,400	\$ 160,160	Decrease rate from \$2,400 to \$2,000
260	\$ 1,200	\$ 312,000	\$ 240,240	\$ -	Decrease rate by 50%



This is the assumption in the Draft FY21 Budget.

## FY21 Process

- Present a “Status Quo” budget on January 22<sup>nd</sup>. The Town Manager will release his initial budget on February 7<sup>th</sup>.
- In February, present summary information/highlights of FY21 Strategic Improvement Requests necessary to make progress towards achieving our Strategic Priorities and District Goals
- Encourage discussion and provide input into any meeting/process that coordinates efforts of Town School officials to look at both FY21 and FY22 together to conduct financial planning in connection with opening the New Beal School

# Upcoming Dates/Process Overview

Date	Event
Jan. 8 <sup>th</sup>	School Committee Meeting: Superintendent's State of the District Annual Report
Jan. 15 <sup>th</sup>	School Budget Workshop#2: Last meeting before Superintendent's Initial Budget Recommendation
Jan. 22 <sup>nd</sup>	School Committee Meeting: Superintendent's Initial Budget Recommendation
Feb. 7 <sup>th</sup>	Town Manager Releases Initial Town-wide Budget Recommendation
Mar. 7 <sup>th</sup>	Finance Committee Budget Hearing
Feb-April	Budget Reports, Discussions, Refinements and Public Hearing. Vote final budget in late April.
May	Annual Town Meeting

# Closing the Gap

- Three main methods:
  1. Look at potential fee revenue increases
  2. Look at potential cost reductions
  3. In February/March review current-year budget and assess if any additional surplus is projected

## FY20 Budget Status

- Any year-end surplus can be used to assist in reducing the FY21 budget request. The initial FY20 Budget Forecast estimated a \$600,000 year-end surplus [provided no significant surprises] and this amount has already been factored into reducing FY21 SPED Out of District Tuition budget.
- Any FY20 surplus would flow into Circuit Breaker Account and be factored into lowering the FY21 net appropriation amount required for Special Education tuitions.

# Next Steps

- Continue to refine the FY21 Status Quo budget as new information emerges
- Continue dialogue with the Town Manager on FY21 outlook
- Develop Budget Reduction Ideas
- Meet the financial planning needs and desires for a pro-forma FY22 budget with additional resources needed to open new Beal School

# Next Steps

- Information for Superintendent's Initial Budget Recommendation
  - Printed book-post on website as PDF
  - Upload line item detail file into *ClearGov* and that will generate some summary charts with drill-down capacity
- Generally, we will continue to reduce budget book text
- We invite your specific input on new information to include and/or past information to eliminate