# Agreement as to
# City of Methuen Expenditures on Behalf of
# the Methuen School Department

The following expenditures will be reported as city expenditures for education to the Massachusetts Department of Education. It is agreed that the calculation of these expenses will be reviewed by the Mayor and School Superintendent every three years, prior to the budget development process.

1. **Administration (1000)**
   In accordance with the methodology recommended by the State, the School Department will pay its share of the operating expenses of the City Auditor's Office and the Treasurer/Tax Collector's Office based on the Total School Committee Appropriation divided by the total amount to be raised by the City (as shown on the Tax Rate Recapitulation Sheet); 5% of the operating budget for the City's Human Resources Department; and a share of the City's Workers Compensation Insurance as calculated by the Workers Compensation Agent and including administrative expenses.

2. **Attendance-Health (3100, 3200)**
   The School Department will pay 10% of the operating budget for the City's Health Department.

3. **Athletics/Student Activities/Security (3500, 3600)**
   The School Department will pay 70% of the City's cost to provide a School Resource Officer for each of five schools plus 1% of the operating budget for the Police Department.

4. **Maintenance (4000)**
   The School Department will pay 3% of the operating budget of the Department of Public Works and 4% of the operating budget for Solid Waste Disposal and Recycling.

5. **Employee Benefits (5100)**
   The School Department will pay its share of expenses related to the Methuen Contributory Retirement System. The City Auditor will calculate the anticipated costs of retirement expenses based on projected salaries for the applicable School Department staff eligible to participate and eligible retirees.

6. **Insurance (5200)**
   The School Department will pay its share of expenses related to the City's Group Health Insurance, Life Insurance, and Medicare Tax. The City Auditor will calculate the cost for these expenses in accordance with the Department of Elementary and Secondary Education's Compliance Supplement dated December 13, 2012. The City Auditor will submit an itemized list(s) within 60 days of the close of each fiscal year (*by August 29th*).

7. **Insurance (5260)**
   The School Department will pay its share of Building Insurance Premiums based on the percentage value of school facilities covered by the policy.

8. **Tuition Assessment (9000)**
   The amounts specified on the "Cherry Sheet" provided annually by the Massachusetts Department of Revenue for School Choice, Charter School, and Special Education Assessments will be used during the budget process. The Charter School Assessment will be reduced by the Charter School Reimbursement Revenue referenced on the Cherry Sheet. If this information is not available by June 1st of any year, the prior year's figures will be used. For purposes of completing the DESE End of Year Report, actual assessments made by the Department of Education during the fiscal year will be used.

9. **Debt Service**
   For purposes of completing DESE's End of Year Report, the City Treasurer will provide the costs of School-related debt (principal and interest; long-term and short-term) for each applicable fiscal year. The past, current, and future fiscal years are currently required. A detailed listing by project will be provided.

***NOTE: The following item is not considered a part of this Agreement:***

10. **Unemployment Insurance**
    The School Department will direct pay for unemployment claims of school employees.

**PROVIDING INFORMATION IN A TIMELY MANNER**

The calculation of City of Methuen Expenditures on Behalf of the Methuen School Department, aka "Chargebacks", will be provided to the School Department on or around May 15th of each year for the upcoming school year in order to prepare its budget proposal. For the purpose of completing DESE's End of Year Report, actual figures for these expenditures will be provided to the School Department within 60 days of the end of the fiscal year (*by August 29th*).

By our signature, we hereby agree to the above terms.

Stephen N. Zanni 1/28/13
Stephen N. Zanni, Date
Mayor

Judith Scannell 1/28/13
Judith A. Scannell, Date
Superintendent of Schools