

**Mount Greylock Regional School District School Committee
Finance Subcommittee**

Location: Zoom Remote Meeting **Date:** Wednesday, March 10, 2021 **Time:** 4:30 PM

Present: Carrie Greene, Michelle Johnson, Steve Miller

Also Present: Joe Bergeron, Jason McCandless

Open Session Agenda

- I. Call to order
- II. Approval of meeting minutes - March 4, 2021 **VOTE**
- III. Review of warrants
 - A. Payroll
 - B. Accounts Payable
- IV. FY22 Budget discussion
- V. Other items for discussion not reasonably anticipated by the chair 48 hours before the meeting.
- VI. Motion to adjourn

CALL TO ORDER AT: 4:31pm

- I. Call to order
4:31pm
- II. Approval of meeting minutes - March 4, 2021 **VOTE**
Moved by Michelle, seconded by Steve, passes unanimously (Greene aye, Johnson aye, Miller aye).
- III. Review of warrants
 - A. Payroll
 - B. Accounts Payable
Joe: Donna did review and sign
- IV. FY22 Budget discussion
Joe: posted a draft budget last night for the public hearing. We do not have a vote on the agenda for tomorrow, believe it will be helpful to have a detailed discussion of what we have, where we are, what remains to be done – do this in the setting of a public hearing. Give us time to further refine and deal with inputs coming from state and federal level. So when March 25th meeting of the full school committee happens we should feel as comfortable as we will in approving a budget.

Williamstown Finance Committee reached out today about moving second presentation to later. Lanesborough Finance Committee said both their dates are after March 25th, so in good shape there.

Jake: We are with the Lanesborough Finance Committee on Monday March 29th at 6pm.

Steve: If have two of us go to the Lanesborough Finance Committee meeting then could be a meeting. Might be best to post. Jake will check.

Carrie: From past, do not need to be a meeting depending on how interact.

Michelle: Can be useful to have Curtis and Christina there....

Joe: As people know, does create a bit of a stilted atmosphere to have multiple meetings going on....

Dan Caplinger, Williamstown Finance Committee: Tentative calendar: has a meeting tonight on most of the town budget items, originally second MtG on the 17th, on the 24th would be remaining town items and McCann, water district, ..., then March 31 holdover week to cover items not finished in scheduled meetings. Intent here is if Jason Hoch can move stuff from the 24th to the 17th it allows the school to move to the 24th.

Jake: Texted lawyer: do not speak to the meeting on a substantive issue, do not deliberate, that's appropriate.

Moving on to budget.

Joe:

	FY21				FY22				FY20 TO FY21
	MGRS	LES	WES	MGRSD	MGRS	LES	WES	MGRSD	
Gross OPERATING Budget	\$ 11,944,603	\$ 4,225,769	\$ 6,667,751	\$ 22,838,123	\$ 12,232,476	\$ 4,417,812	\$ 7,219,700	\$ 23,869,989	\$ 1,031,866
Less expenditures not subject to appropriation:									
Regular Tuition Income	\$ (758,850)	\$ (175,526)	\$ -	\$ (934,376)	\$ (758,850)	\$ (250,000)	\$ -	\$ (1,008,850)	\$ (74,474)
School Choice Transfer	\$ (245,000)	\$ (117,636)	\$ (225,745)	\$ (588,381)	\$ (245,000)	\$ (70,000)	\$ (250,000)	\$ (565,000)	\$ 23,381
Williams College Fund	\$ (200,000)	\$ -	\$ -	\$ (200,000)	\$ (200,000)	\$ -	\$ -	\$ (200,000)	\$ -
Grants	\$ (201,530)	\$ (199,000)	\$ (99,900)	\$ (500,430)	\$ (375,000)	\$ (250,000)	\$ (275,000)	\$ (900,000)	\$ (399,570)
Circuit Breaker	\$ (146,000)	\$ (120,000)	\$ (39,000)	\$ (305,000)	\$ (146,000)	\$ (120,000)	\$ (39,000)	\$ (305,000)	\$ -
Other Funds + Regionalization Aid	\$ (11,890)	\$ (20,000)	\$ (20,000)	\$ (51,890)	\$ (11,890)	\$ (20,000)	\$ (20,000)	\$ (51,890)	\$ -
Net OPERATING Budget	\$ 10,381,333	\$ 3,593,607	\$ 6,283,106	\$ 20,258,046	\$ 10,495,736	\$ 3,707,812	\$ 6,635,700	\$ 20,839,249	\$ 581,203
Less budgeted revenue:									
A. Chapter 70 Aid	\$ (1,769,941)	\$ (828,370)	\$ (987,063)	\$ (3,585,374)	\$ (1,747,195)	\$ (864,217)	\$ (973,063)	\$ (3,584,475)	\$ 899
B. Chapter 71 Transportation Aid	\$ (195,249)	\$ (91,381)	\$ (108,887)	\$ (395,517)	\$ (149,647)	\$ (74,020)	\$ (83,342)	\$ (307,009)	\$ 88,508
C. Charter Tuition Reimbursement	\$ (5,554)	\$ (2,599)	\$ (3,097)	\$ (11,250)	\$ (6,873)	\$ (3,400)	\$ (3,828)	\$ (14,101)	\$ (2,851)
D. Medicaid Reimbursement	\$ (25,000)	\$ (13,000)	\$ (11,000)	\$ (49,000)	\$ (25,000)	\$ (13,000)	\$ (13,000)	\$ (49,000)	\$ -
F. Transfer from E&D	\$ (240,000)	\$ -	\$ -	\$ (240,000)	\$ (240,000)	\$ -	\$ -	\$ (240,000)	\$ -
Total Budgeted Revenue	\$ (2,235,744)	\$ (935,350)	\$ (1,110,047)	\$ (4,281,141)	\$ (2,168,714)	\$ (954,637)	\$ (1,071,234)	\$ (4,194,585)	\$ 86,556
Net OPERATING Assessments to Member Towns	\$ 8,145,589	\$ 2,658,257	\$ 5,173,059	\$ 15,976,905	\$ 8,327,022	\$ 2,753,176	\$ 5,564,467	\$ 16,644,664	\$ 667,759
Lanesborough OPERATING Assessment	\$ 2,516,987	\$ 2,658,257		\$ 5,175,244	\$ 2,607,274	\$ 2,753,176		\$ 5,360,449	\$ 185,205
Williamstown OPERATING Assessment	\$ 5,628,601		\$ 5,173,059	\$ 10,801,660	\$ 5,719,748		\$ 5,564,467	\$ 11,284,215	\$ 482,555
Gross CAPITAL Budget	\$ 1,898,356	\$ -	\$ -	\$ 1,898,356	\$ 1,497,675	\$ -	\$ -	\$ 1,497,675	\$ (400,681)
MGRS CAPITAL Apportionment									
Lanesborough	\$ 586,592			\$ 586,592	\$ 466,541			\$ 466,541	\$ (120,051)
MGRHS - Williamstown	\$ 1,311,764			\$ 1,311,764	\$ 1,031,134			\$ 1,031,134	\$ (280,630)
Total OPERATING + CAPITAL Assessment									
Lanesborough				\$ 5,761,836			1.13%	\$ 5,826,991	\$ 65,155
Williamstown				\$ 12,113,424			1.67%	\$ 12,315,348	\$ 201,924

Quick overview: shows gross operating expenditures envisioning for each of the three buildings, district wide costs apportioned across buildings based on formulas. This years number includes short term borrowing as part of operating and not capital.

This is one of the key reasons for why, when look down, capital costs for FY22, biggest drop from 1.898 to 1.487 comes from 180,000 moving from capital to operating. Debt service schedule for current note is represented by that figure, locked in at 1.49765. Those top line numbers.

Look at revenue have control over / receive from funds other than town assessments. Tuition revolver, currently (subject to change) 1.7 million. Choice 1.3 million. Projecting using – this is early – tuition funds at MtG and LES (the two schools that cause the district to receive this revenue) and choice at all three. Williams College fund, grant fund.... Seeing a big jump due to current federal / state support.

Net operating budget – relevant for how state likes to look at numbers. Take out state aid (chapters 70, 71,). E&D not certified yet, our E&D amount heading in to this fiscal year was 1,050,000, hope to certify in the next week. Total budgeted revenue against operating budget, assessment to towns. Regional agreement comes in to play on how to apportion the costs.

Projecting 1.13% increase for Lanesborough and 1.67% for Williamstown.

Have not received information from Lanesborough as to what they are hoping for.

State/federal outlook is much better than thought it would be, if we rewind 7-8-9 months. Have not received hard and fast guidance.

Carrie: We develop budget, anything below 2% in a non-covid year has generally been met with if not favor at least acceptance. These numbers are very respectable.

Jake: The chair of the Williamstown Finance Committee brought up with a new team at MtG, new opportunity to build new relationships, sort of an acceptable standard that town committees Moving forward great opportunity for year round relationships with town finance committees.

Michelle: While Joe is building his budget he's guessing about what state will give, towns are trying to anticipate what schools will be as we are the biggest part of the budget, driving factor in town budgets.

Jake: conversation with Lanesborough last week: they were thrilled that they were going to have numbers in mid to late March.

FY22 Budget Revenue and Apportionment

Assessment Apportionment

	MGRS	LES	WES	Total	
Net Assessment Needs	\$ 8,327,022	\$ 2,753,176	\$ 5,564,467	\$ 16,644,664	Inputs to Calculations:
MLC Applied					Minimum Local Contributions
Lanesborough	\$ 1,131,663.99	\$ 1,231,938.01		\$ 2,363,602.00	Lanesborough \$2,363,602
Williamstown	\$ 2,794,494.19		\$ 3,261,832.81	\$ 6,056,327.00	Williamstown \$6,056,327
				\$ 8,419,929.00	Total \$8,419,929
Above MLC Required	\$ 4,400,863	\$ 1,521,238	\$ 2,302,634	\$ 8,224,735	Foundation Enrollments by Town, by School
Above MLC (diff between net assessment and mlc applied)					Lanesborough LES Foundation Enrollment 172 52.12% of total Lanesborough
Lanesborough	\$ 1,475,609.52	\$ 1,521,238			Lanesborough MGRS Foundation Enrollment 158 47.88% of total Lanesborough
Williamstown	\$ 2,925,253.94		\$ 2,302,634		Williamstown WES Foundation Enrollment 342 53.86% of total Williamstown
					Williamstown MGRS Foundation Enrollment 293 46.14% of total Williamstown
					965
FY22 Proposed Operating Assessments					Apportionment of MGRS Above MLC
Lanesborough	\$ 2,607,273.50	\$ 2,753,175.90		\$ 5,360,449	Lanesborough 5 Yr Trailing Pupil % (Grades 7-12) 33.53%
Williamstown	\$ 5,719,748.13		\$ 5,564,466.60	\$ 11,284,215	Williamstown 5 Yr Trailing Pupil % (Grades 7-12) 66.47%
					Foundation Enrollments by School
FY21 Operating Assessments					LES 172 17.82%
Lanesborough	\$ 2,555,506.00	\$ 2,669,448.00		\$ 5,224,954	MGRS 451 46.74%
Williamstown	\$ 5,714,740.00		\$ 5,210,844.00	\$ 10,925,584	WES 342 35.44%
					965

Joe: How do we apportion the costs of the three buildings to the towns? Spread minimum local contribution from town across its schools. Gives us amount above minimum local contribution, for the elementary school goes straight to the town, for MtG apportioned same way MtG's budget has been done every year since '61 (5 year average enrollment).

FY22 Chapter 70/71 & Charter Aid Apportionment to School Budgets

* Based on Governor's Proposal

Inputs:

Lanesborough EQV 0.4264354
 Williamstown EQV 1.0548097

LES Foundation Enrollment 172
 MG Foundation Enrollment 451
 WES Foundation Enrollment 342

	Chapter 70	Chapter 71	Charter
State Aid	\$ 3,584,477.00	\$ 307,009.00	\$ 14,101.00

Outputs:

	% of Total			
LES	24.11%	\$ 864,216.96	\$ 74,019.83	\$ 3,399.75
MG	48.74%	\$ 1,747,194.64	\$ 149,646.51	\$ 6,873.30
WES	27.15%	\$ 973,063.11	\$ 83,342.46	\$ 3,827.94

Using Steve Miller's formulas to figure out how to allocate the Chapter 70 aid among the three schools (before regionalization knew how much each school gets, state only says how much go to a district).

FY22 Budget Revenue and Apportionment

MGRS Op & Cap Apportionment Inputs

Calculations for MGRS Operating and Capital Budget Allocation Splits

Enrollment Figures for Relevant Years

Fiscal Year DESE October 1 Enrollment

	2014	2015	2016	2017	2018	2019	2020	2021
Williamstown	298	292	294	297	286	309	308	293
Lanesborough	181	164	154	156	142	144	153	158
Total	479	456	448	453	428	453	461	451

Operating Budget Split (for MGRS remainder above towns' MLC)

	FY20 5 Yr Avg	FY21 5 Yr Avg	FY22 5 Yr Avg
Williamstown	66.04%	66.76%	66.47%
Lanesborough	33.96%	33.24%	33.53%

EQV Values for Fiscal Years Since Inception of Project (NB: up to 5 years, rolling)

	EQVs as of FY16	EQVs as of FY17	EQVs as of FY18	EQVs as of FY19	EQVs as of FY20	EQVs as of FY21
Williamstown	1,044,563,700	1,012,008,600	1,012,008,600	1,008,880,400	1,008,880,400	1,054,809,700
Lanesborough	419,083,500	413,758,100	413,758,100	402,579,400	402,579,400	426,435,400
Total	1,463,647,200	1,425,766,700	1,425,766,700	1,411,459,800	1,411,459,800	1,481,245,100

* Using EQV values "current" as of fiscal year of the vote.

MGRS - Capital Split

	FY20			FY21			FY22		
	Enrollment Ratio	EQV Ratio	Capital Split	Enrollment Ratio	EQV Ratio	Capital Split	Enrollment Ratio	EQV Ratio	Capital Split
Williamstown	0.6655	0.7120	68.88%	0.6698	0.7123	69.10%	0.6647	0.7122	68.849%
Lanesborough	0.3345	0.2880	31.12%	0.3302	0.2877	30.90%	0.3353	0.2878	31.151%

* Enrollment and EQV ratios for apportionment of capital costs are 2016-present.

Shows how we do the five year averages. For capital use EQVs which are updated every two years. Leads to how we split costs based on enrollment and EQVs.

Jake: Still trying to figure out final numbers for summer and fall to give opportunities for students, both for special ed and general. Still have a programmatic piece, trying to finalize details.

Joe: Ever since district regionalized K-12 we have had a collection of accounts that are extraordinarily difficult to read, even for those who read daily, the team and I have been talking about the best way to go about a significant renaming of accounts. Create a common scheme to name, have like account names across the schools. Expecting to produce a crosswalk from old to new descriptions. Will have a human readable budget line by line.

Example of costs:

FY22 Budget Planning

Description	Cost Center	FY21 Budget	FY22 Proposed	FY21 to FY22 CHG
MG SCHOOL RECONSTRUCTION BOND INTEREST	CAP	\$ 1,278,356.00	\$ 852,675.00	\$ (425,681.00)
MG SCHOOL RECONSTRUCTION BOND PRINCIPAL	CAP	\$ 620,000.00	\$ 645,000.00	\$ 25,000.00
ASBF - BUSINESS ADMIN SALARY	DIST	\$ 143,000.00	\$ 112,665.00	\$ (30,335.00)
ASBF - MEMBERSHIP - CONFERENCE DUES	DIST	\$ 3,000.00		\$ (3,000.00)
AUDITING SERVICES	DIST	\$ 40,000.00	\$ 40,000.00	\$ -
BOND - TREASURER/ASST	DIST	\$ -	\$ 200.00	\$ 200.00
BUSINESS CONTRACTED SERVICES	DIST	\$ -		\$ -
BUSINESS OFFICE DUES	DIST	\$ 500.00	\$ 500.00	\$ -
BUSINESS OFFICE PD	DIST	\$ 1,500.00		\$ (1,500.00)
BUSINESS OFFICE PROF DEV	DIST	\$ 2,000.00	\$ 2,000.00	\$ -
BUSINESS OFFICE SUPPLIES	DIST	\$ 500.00		\$ (500.00)
BUSINESS OFFICE SUPPLIES	DIST	\$ 500.00		\$ (500.00)
BUSINESS OFFICE TRAVEL	DIST	\$ 3,500.00		\$ (3,500.00)
CUSTODIAL PROF DEV	DIST	\$ 1,500.00	\$ 1,500.00	\$ -
CUSTODIAL TRAVEL - Fac Director	DIST	\$ 2,500.00	\$ 25,000.00	\$ 22,500.00
DIR OF BLDG AND GROUNDS SALARY	DIST	\$ 79,000.00	\$ 80,962.00	\$ 1,962.00
DIRECTOR OF CURRICULUM AND INSTRUCTION	DIST	\$ 99,500.00	\$ 100,992.50	\$ 1,492.50
DIRECTOR OF PUPIL SERVICES	DIST	\$ 95,000.00	\$ 95,247.60	\$ 247.60
DISTRICT BUS OFFICE SUPPORT SALARY - OTHER	DIST	\$ 15,000.00	\$ 15,894.90	\$ 894.90
DISTRICT BUS. OFFICE CONT SERV	DIST	\$ -		\$ -
DISTRICT EQUIPMENT	DIST	\$ 3,500.00	\$ 2,500.00	\$ (1,000.00)
DISTRICT HARDWARE under \$5000	DIST	\$ 5,000.00	\$ 5,000.00	\$ -
DISTRICT HR SALARY	DIST	\$ 56,375.00	\$ 61,710.00	\$ 5,335.00
DISTRICT IT DIR - DIR OF SOFTWARE	DIST	\$ 91,500.00	\$ 87,290.00	\$ (4,210.00)
DISTRICT IT DIR -DIR OF OPERATIONS	DIST	\$ 94,095.00	\$ 96,447.00	\$ 2,352.00
DISTRICT LEGAL ADS & NOTICES	DIST	\$ 3,500.00	\$ 3,500.00	\$ -
DISTRICT OFFICE EQUIPMENT MAINTENANCE	DIST	\$ 2,600.00		\$ (2,600.00)
DISTRICT OFFICE MANAGER SALARY	DIST	\$ 55,000.00	\$ 56,100.00	\$ 1,100.00
DISTRICT OFFICE POSTAGE	DIST	\$ 4,000.00	\$ 4,000.00	\$ -
DISTRICT OFFICE PROPANE/NATURAL GAS	DIST	\$ 35,000.00	\$ 15,000.00	\$ (20,000.00)
DISTRICT OFFICE TELEPHONE	DIST	\$ 805.00	\$ -	\$ (805.00)

Trying to figure out which costs should be carried at the district level and which should be at the individual school level. Health insurance should be at the building level as we know on the per-employee level who is taking. For workman comp that is a district cost.

MG WORKERS COMP INSURANCE	DIST	\$ 55,000.00	\$ 55,000.00	\$ -
PUPIL SERVICES ADMIN ASSISTANT	DIST	\$ 67,500.00	\$ 68,512.50	\$ 1,012.50

Similarly retirement. Part of Berkshire County Retirement System for all employees save for MA Teachers, when we regionalized very quickly LES Retirement Contributions brought in to MtG line, WES was kept separate at WES line partly b/c of the relationship with Williamstown (which directly carried some of those costs for some years). This is first year carrying all costs. This is the first year Berkshire County Retirement assessment jumped significantly. Talking with them

about underlying details.

MG BOND - TREASURER/ASST	DIST	\$ 3,000.00	\$ 2,000.00	\$ (1,000.00)
MG RETIREMENT	DIST	\$ 304,001.00	\$ 658,908.00	\$ 354,907.00
MG WORKERS COMP INSURANCE	DIST	\$ 55,000.00	\$ 55,000.00	\$ -

Michelle: \$20,000 b/w facilities travel: \$2500 to \$25000.

Joe: Not a typo, trying to figure out how to serve a number of facilities related to transportation, shifting things between the buildings, currently a placeholder. Said vehicle would not have a plow for '22. Would need to spend a lot of time thinking about salt storage, can't just put a plow on a pickup truck because of size of snow piles (20ft tall).

Some changes, such as a -\$43,000 in LES, is a reclassification.

LES FICA/MEDICARE	LES	\$ 35,883.49	\$ (35,883.49)
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Could come back down to the building level, trying to figure out where to have.

Trying to simplify, lot of lines that have been here for awhile and just acknowledging that the line is not being used and adjusting, remnant of for example when LES had a separate dedicated food director and now have someone who is district wide.

LES HEALTH INSURANCE	LES	\$ 575,000.00	\$ 500,000.00	\$ (75,000.00)
LES INSTRUCTIONAL EQUIPMENT	LES	\$ 3,000.00	\$ 3,000.00	\$ -
LES INSTRUCTIONAL TECH SALARY	LES	\$ 3,500.00	\$ 3,500.00	\$ -

Health insurance holding steady (all schools, below is LES).

Some out of district costs, such as special ed. Will see some reductions across the district in lines where needs no longer exist.

Some changes: did bump up art teacher by .2 at LES.

Increase by an FTE in special ed, Jake will discuss tomorrow night.

Part time social worker salary.

Speech pathologist: part of increase is from WES moving over to LES.

Tech instructional line:

LES TECHNOLOGY MAINTENANCE	LES	\$ 5,000.00	\$ 5,000.00	\$ -
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Number of tools need to renew, working to smooth out over time.

LES TELEPHONE	LES	\$ 3,000.00	\$ 3,000.00	\$ -
LES TEXTBOOKS	LES	\$ 12,000.00	\$ 57,000.00	\$ 45,000.00

New curriculum, big cost for one year, less in future years.

This concludes LES, trying to give just lay of land.

MtG: Academic support person added.

Number of decreases in MtG are due to new building – less needed for heat. Of course building hasn't been utilized this year the way it normally would....

Few retirements across the district and will lead to some savings.

MG FICA/MEDICARE	MG	\$ 105,983.31	\$ 225,000.00	\$ 119,036.69
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In draft form, will move up to district level.

Health insurance line increasing slightly.

MG MENTORS	MG	\$ -	\$ 8,545.25	\$ 8,545.25
MG NETWORK/TELECOMMUNICATIONS	MG	\$ 107,000.00	\$ 157,000.00	\$ 50,000.00
MG MURDER SALARY	MG	\$ 53,000.00	\$ 53,000.00	\$ 700.00

Underfunded in the past, need a lot more bandwidth.

MG PROG/NON PUBLIC SCHOOLS	MG	\$ 376,316.40	\$ 280,000.00	\$ (96,316.40)
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Out of district placements

MG SCHOOL RECONSTRUCTION SHORT-TERM BOND INTERES	MG	\$ -	\$ 180,000.00	\$ 180,000.00
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Previously part of capital costs, per auditor move to operating.

Are projecting an additional social worker.

Behavioral specialist. Not sure why as a salary, carried below.

All three schools share a physical therapist.

Moving to WES now,

School psychologist also serves as adjustment councilor.

Custodial wages: Similar to LES have had part-time help, expect to continue, this is why see a jump here.

WES EXTRAORDINARY MAINTENANCE	WES	\$ -	\$ 30,000.00	\$ 30,000.00
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Often do transfers at the end of the year to cover, trying to be up-front and have costs budgeted that are commensurate with expectations.

Projecting one more in special ed / para.

Transfer speech pathologist from WES to LES, sharing resource with MtG, why see net overall picture.

Workers comp shifting up to district.

Brings us through 508 lines or so....

Michelle: Question on the new reading program: was about \$45,000 for LES, and \$77,500 for WES. Why is it more than half?

Joe: Will need to ask Joelle for more information.

Michelle: Teacher books are the most expensive part, more teachers at WES, is the percentage right?

Joe: Will check.

Steve: Big investment, is it worth doing some tests first to see which work best?

Jake: Takes a multiple month process and makes a few years, using outdated sometimes insensitive, not giving kids the best.

Michelle: so many districts have already used that is really the beta testing.... I'm a convert: when we rolled out everyday math in LES was worried but worked well.

Joe: These are the kind of discussions expecting tomorrow at the full committee.

Carrie: highlight where there are significant changes, FTEs. Point out how the budget is responding to the requests by the principals and school councils (how it is, how it is not).

This PDF is what was posted prior to the budget meeting tomorrow.

V. Other items for discussion not reasonably anticipated by the chair 48 hours before the meeting.

VI. Motion to adjourn

Moved by Michelle, seconded by Steve, passes unanimously (Greene aye, Johnson aye, Miller aye).

Adjourned at 6:02pm

Minutes taken by Steven Miller, Secretary

Approved 3.22.21