



**HAMILTON-WENHAM  
REGIONAL SCHOOL DISTRICT**

***FY19 Superintendent's Budget Recommendation  
School Committee Presentation  
January 31, 2018***

Prepared by:

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# FY19 Budget Superintendent's Recommendation

Level Service PLUS an Investment in Critical Priorities

What Does “Level Service” Mean?

*Level Service is a continuation of the current programs, services and staffing of the District.*

For FY19, Level Service translates into a spending increase in our Gross Operating Expenses of \$1,117,099 or 3.56% versus the FY18 Budget.



## FY19 Budget

### *Superintendent's Recommendation*

Level Service PLUS an investment in Critical Priorities

What Does investing in “Critical Priorities” Mean?

*Provide the targeted funding necessary to better position the District to achieve its goals & objectives as provided for in the “Strategic Blueprint”, including directed investments in people, programs, & technology.*

For FY19, the Superintendent and Leadership Team is recommending that an investment be made to fund several Critical Priorities. This investment comes at an additional cost of \$399,379 above what is needed to maintain Level Services for the 2018 – 2019 School Year.



# FY19 Budget – District Totals

## Level Service PLUS Critical Priorities Net Assessment Budget

	Total Expenses			
	FY17 BUD	FY18 BUD	FY19 BUD	Difference
General Operating Expense (Before Offsets)	\$ 30,166,532	\$ 31,403,624	\$ 32,920,102	\$ 1,516,478
Expense Offsets	\$ 1,016,500	\$ 1,203,808	\$ 1,203,808	\$ -
General Operating Expenses (After Offsets)	\$ 29,150,032	\$ 30,199,816	\$ 31,716,294	\$ 1,516,478
Debt Service Expense	\$ 2,129,250	\$ 2,092,860	\$ 2,115,275	\$ 22,415
<b>TOTAL EXPENDITURES</b>	<b>\$ 31,279,282</b>	<b>\$ 32,292,676</b>	<b>\$ 33,831,569</b>	<b>\$ 1,538,893</b>

	Total Funding Sources			
	FY17 BUD	FY18 BUD	FY19 BUD	Difference
<b>Revenues</b>				
Chapter 70-Base Aid	\$ 3,457,966	\$ 3,554,656	\$ 3,606,706	\$ 52,050
MSBA Debt Service Reimbursement	\$ 1,132,065	\$ 1,132,065	\$ 1,132,065	\$ -
State Transportation Reimbursement	\$ 331,304	\$ 340,686	\$ 330,837	\$ (9,849)
Medicaid Reimbursement	\$ 85,000	\$ 85,000	\$ 150,000	\$ 65,000
Interest Income	\$ 4,000	\$ 4,000	\$ 4,000	\$ -
Prior Year Unexpended Encumbrances	\$ -	\$ -	\$ -	\$ -
Other Non-recurring Income (Including Transp)	\$ -	\$ -	\$ -	\$ -
Total Revenues	\$ 5,010,335	\$ 5,116,407	\$ 5,223,608	\$ 107,201
<b>Transfers In From Other Funds</b>				
Excess and Deficiency	\$ 555	\$ 568,821	\$ 347,218	\$ (221,603)
Total Transfers	\$ 555	\$ 568,821	\$ 347,218	\$ (221,603)
<b>Total Funding Sources</b>	<b>\$ 5,010,890</b>	<b>\$ 5,685,228</b>	<b>\$ 5,570,826</b>	<b>\$ (114,402)</b>
Total Expenditures	\$ 31,279,282	\$ 32,292,676	\$ 33,831,569	\$ 1,538,893
Less Total Funding Sources	\$ 5,010,890	\$ 5,685,228	\$ 5,570,826	\$ (114,402)
<b>NET ASSESSMENT including Debt Service</b>	<b>\$ 26,268,391</b>	<b>\$ 26,607,448</b>	<b>\$ 28,260,743</b>	<b>\$ 1,653,295</b>

	Total Town Assessments		
	FY17 BUD	FY18 BUD	FY19 BUD
Hamilton	\$ 17,494,749	\$ 17,401,271	\$ 18,270,570
Wenham	\$ 8,773,643	\$ 9,206,177	\$ 9,990,173
<b>NET ASSESSMENT including Debt Service</b>	<b>\$ 26,268,391</b>	<b>\$ 26,607,448</b>	<b>\$ 28,260,743</b>

	FY17 BUD	FY18 BUD	FY19 BUD	Difference
Hamilton	\$ 17,494,749	\$ 17,401,271	\$ 18,270,570	\$ 869,299
Wenham	\$ 8,773,643	\$ 9,206,177	\$ 9,990,173	\$ 783,996
<b>NET ASSESSMENT including Debt Service</b>	<b>\$ 26,268,391</b>	<b>\$ 26,607,448</b>	<b>\$ 28,260,743</b>	<b>\$ 1,653,295</b>

**HAMILTON-WENHAM REGIONAL SCHOOL DISTRICT**

**FY19 Operating Budget: Summary Priority Overlay Template Submissions**  
**\*\*REQUESTS NOT INCLUDED IN THE BUDGET RECOMMENDATION AS OF JANUARY 3, 2018\*\***

**Category 1: New Faculty Positions including Stipended Positions**

Submitted by:	Position Description	Est Base Salary
Elementary	Increase 3 shared Specialists from 0.7 FTE to 0.8 FTE	\$ 15,689
Baker and Winthrop	Sub Dispatcher Stipends (2)	\$ 1,000
Winthrop	0.3 FTE Increase to Prek Teacher	\$ 23,266
MRRMS	1.0 FTE Coding/Robotics Teacher	\$ 65,000
Student Services	BCBA-District (Offset by reduction in Contract Svcs)	\$ -
Athletics	Coaches Category I - Varsity Assistant (1)	\$ 5,248
Athletics	Category II - Varsity Assistant (3)	\$ 12,108
Athletics	Category II A - Varsity Assistant (1)	\$ 4,036
Athletics	Category III - Varsity Assistant (14)	\$ 52,584
District	Additional Healthcare Costs for Proposed New Staff (1)	\$ 10,000
	Subtotal:	\$ 188,931

**Category 2: New Administrative/Support Positions**

Submitted by:	Position Description	Est Base Salary
Baker	(2) 1.0 FTE Kindergarten Teaching Assistants	\$ 44,000
Cutler	(2) 1.0 FTE Kindergarten Teaching Assistants	\$ 44,000
Winthrop	(2) 1.0 FTE Kindergarten Teaching Assistants	\$ 44,000
Cutler	0.2 FTE Therapeutic Special Education TA	\$ 4,400
Cutler	1.0 FTE LBC Special Education TA	\$ 22,000
MRRMS	Increase 0.277FTE secretary by 1 hour per day	\$ 6,063
District	Additional Healthcare Costs for Proposed New Staff (7)	\$ 70,000
	Subtotal:	\$ 234,463

**Category 3: New Instructional Program Costs**

Submitted by:	Cost Description	Est Cost
MRRMS	Robotics/Coding materials	\$ 30,000
HS	RISE program PD support through BAYT	\$ 2,500
HS	After school help for students w D or Fs on report card	\$ 3,500
HS	High School Transportation	\$ 5,000
Athletics	Six Large Nets - Stadium / Back Flds	\$ 20,000
	Subtotal:	\$ 61,000

**Category 4: Extraordinary One-time Costs**

Submitted by:	Cost Description	Est Cost
Baker	10' x 12' wooden storage shed	\$ 5,000
Winthrop	Classroom Ceiling Fans (24)	TBD
MRRMS	Ipad pilot	\$ 40,700
HS	Six (6) Spin bikes	\$ 9,000
HS	Six (6) classroom sets of furniture (@13K each)	\$ 78,000
HS	1 Set of science tables and chairs for Physics lab conversion	\$ 11,000
	Subtotal:	\$ 143,700
	<b>TOTAL:</b>	<b>\$ 628,094</b>



# Capital Improvement Plan Administration's Recommendation

- **Background:**
  - The HS/MS Project Bond will be paid-off in May 2019 (FY19) resulting in a decrease in our annual Debt Expense of ~\$711,000 per year.
- **Assumption:**
  - Develop a recommendation that minimizes any incremental increase to the District's Annual Budget request while simultaneously addressing the longer term Capital needs of the District.
- **Scope:**
  - Projects to be funded by the FY19 Operating Budget (\$129K)
  - Winthrop Sprinkler Project (\$1.0M)
  - Athletic Field Complex (\$3.6M)
  - Capital Plan Approach agreed on 9/7/17 by School Committee (~\$2.6M)
    - Includes Safety, Accessibility, and Critical Infrastructure Projects
  - Remaining Projects to be funded by the FY20 – 23 Operating Budgets (~\$350K/Year)
- **Future Debt Expense Point of Reference:**
  - A \$8.5M Bond with a 20 Year Term at an Interest Rate of 4% carries an Annual Cost of ~\$702,000.



# Capital Improvement Plan Administration's Recommendation

- 1) Fund \$129K in Projects in the FY19 Operating Budget
  - 2) Propose a \$ 1.0M Winthrop Sprinkler Project Debt Exclusion at April 2018 ATM
  - 3) Propose a \$3.6M Turf Field Complex Project Debt Exclusion at April 2018 ATM
  - 4) Propose a \$2.6M Debt Exclusion for Safety, Accessibility, & Critical Infrastructure Projects as outlined on 5 Year Plan at April 2019 ATM
  - 5) Provide funding for any remaining/new Projects on 5 Year Plan through the Operating Budgets in FY20 – FY23 at ~\$350K per Year
- Debt Exclusion Totals from the above mentioned Projects total \$7.2M.
    - A \$7.2M Bond with a 20 Year Term at an Interest Rate of 4% carries an Annual Cost of \$595,000.
    - A \$595,000 Annual Debt Expense would leave ~\$115,000 per year available that could either reduce Net Assessment amounts or be earmarked to fund the OPEB Trust Fund in future years.
  - Although the Sprinkler and Turf Field Projects would potentially be funded before the HS/MS Project was paid off in May 2019, only minimal costs (e.g., BAN expenses) would be incurred prior to FY20 when the HS/MS Project will have rolled off our books entirely.

**Hamilton Wenham Regional School District  
5 Year Capital\* Improvement Program Summary as of January 3, 2018**

Department	Project	Location	Total Est Cost	FY19	FY20	FY21	FY22	FY23
Fac & Grds	New Roof	HS	3,000,000	-	-	-	3,000,000	-
Fac & Grds	Building Energy Management Systems	Elem Schools	210,000	-	210,000	-	-	-
Fac & Grds	Replace Recalled Sprinkler Heads	HS / MS	37,500	-	37,500	-	-	-
Fac & Grds	Replace Classroom Sinks, Countertops & Water bubblers	Elem Schools	61,000	-	61,000	-	-	-
Fac & Grds	Waste Water Treatment Plant	District	100,000	20,000	20,000	20,000	20,000	20,000
Fac & Grds	Repair, refinish & reline Gymnasium Floors	District	60,000	-	-	-	-	-
Fac & Grds	Install Keyless Entryway Swipecard Systems	District	35,000	-	35,000	-	-	-
Fac & Grds	Install Exterior Surveillance Cameras	District	30,000	-	30,000	-	-	-
Fac & Grds	Install Main Entry & Main Office Interior Surveillance Cameras	District	25,000	-	25,000	-	-	-
Fac & Grds	Interior Classroom & Hallway Painting	Cut	30,000	-	-	-	30,000	-
Fac & Grds	Replace Classroom Carpets with Tile (2)	Cut	10,000	-	10,000	-	-	-
Fac & Grds	Classroom Shades	Cut, Buk, HS & MS	135,000	-	135,000	-	-	-
Fac & Grds	Emergency Generator	Buk & Admin Bldg	40,000	-	40,000	-	-	-
Fac & Grds	Autoscrubbers (4)	District	60,000	-	15,000	15,000	15,000	15,000
Fac & Grds	Replace flooring in HS Fitness Center	HS	15,000	-	-	-	-	-
Fac & Grds	Equipment for HS Fitness Center	HS	20,000	-	-	20,000	-	-
Fac & Grds	Install ADA Accessible Handicap Lifts/Ramps for school stages	Win & Buk	30,000	-	30,000	-	-	-
Fac & Grds	Project Adventure Course Upgrades	HS / MS	15,000	-	15,000	-	-	-
Fac & Grds	Replace front sidewalks at Middle School	MIRMS	60,000	-	60,000	-	-	-
Fac & Grds	Replace Ceiling Tiles in Primary Wing Classrooms & Hallway	Winthrop	10,000	-	-	-	10,000	-
Fac & Grds	Repair sidewalks and curbing at Admin Bldg	Admin	15,000	-	15,000	-	-	-
Fac & Grds	Upgrade, repair and install Intercom systems	Various	24,000	-	24,000	-	-	-
Fac & Grds	Replace Sound System in gymnasium	HS / MS	20,000	-	20,000	-	-	-
Fac & Grds	40' - 50' Scissor Lift w/ Trailer	District	25,000	-	25,000	-	-	-
Fac & Grds	Buker Drainage	Buker	20,000	-	20,000	-	-	-
Fac & Grds	Buker Side Entryway and Handicap Ramp (Replace)	Buker	80,000	-	80,000	-	-	-
Tech	iPads for Students on Scholarship and F&RL	District	87,500	17,500	17,500	17,500	17,500	17,500
Tech	Classroom Hardware Refresh 4 year cycle (iPads)	District	280,000	21,000	42,000	84,000	70,000	63,000
Tech	Classroom Hardware Refresh 7 year cycle (Laptops & Labs)	District	262,305	39,480	47,470	94,970	92,430	59,955
Tech	Classroom Chromebooks 4 year cycle	District	135,000	-	18,000	18,000	18,000	81,000
Tech	Upgrade Wireless Access Points including wiring	District	49,920	-	49,920	-	-	-
Tech	Replace Phone System with new VoIP System	HS / MS	47,000	-	47,000	-	-	-
Tech	Replace Backup Server / Services	District	52,000	-	52,000	-	-	-
Tech	Replace VMware Server and Licenses	District	113,000	-	113,000	-	-	-
Tech	Replace Network Area Storage Arrays	District	207,000	-	207,000	-	-	-
Tech	Replace Network IDF	District	72,000	-	72,000	-	-	-
Tech	Replace Classroom SMARTBoards, Projectors, etc	District	232,600	37,216	65,128	65,128	65,128	-
Tech	Upgrade Auditorium Theatrical Electrical Systems	HS	75,000	-	75,000	-	-	-
Tech	Replace Auditorium Lighting Control Console	HS	17,000	-	17,000	-	-	-
Tech	Auditorium HD Projector, Projection Screen & Monitors	HS	50,000	-	-	50,000	-	-



**Hamilton Wenham Regional School District  
5 Year Capital\* Improvement Program Summary as of January 3, 2018**

Department	Project	Location	Total Est Cost	FY19	FY20	FY21	FY22	FY23
Tech	Install redundant line for Internet Connectivity	District	32,000	-	32,000	-	-	-
Food Svc	Kitchen Equipment	District	373,575	-	373,575	-	-	-
	<b>Subtotal Operating:</b>		<b>6,253,400</b>	<b>129,196</b>	<b>2,136,093</b>	<b>339,598</b>	<b>3,398,058</b>	<b>289,653</b>
Fac & Grds	Building Fire Suppression System	Win	1,000,000	1,000,000	-	-	-	-
	<b>Subtotal Sprintidens:</b>		<b>1,000,000</b>	<b>1,000,000</b>	-	-	-	-
Master Plan	Classroom Furniture (Master Plan)	District	800,000	-	800,000	-	-	-
Master Plan	HS/MS Library Media Center Renovation (Master Plan)	HS / MS	2,460,000	-	-	-	2,460,000	-
Master Plan	Elementary Library Media Center Renovations (Master Plan)	Elem Schools	2,841,825	-	-	-	2,841,825	-
	<b>Subtotal Master Plan:</b>		<b>6,101,825</b>	-	<b>800,000</b>	-	<b>5,301,825</b>	-
Athletics	Turf Fields: Track & Field	District	3,671,863	3,671,863	-	-	-	-
Athletics	Turf Fields: Combination Baseball Field	District	3,051,365	-	-	-	-	3,051,365
Athletics	Turf Fields: Entrance Improvements & Amenities	District	2,024,928	-	-	-	-	2,024,928
	<b>Subtotal Athletics:</b>		<b>8,748,156</b>	<b>3,671,863</b>	-	-	-	<b>5,076,303</b>
<b>Totals:</b>			<b>\$ 22,103,381</b>	<b>\$ 4,801,059</b>	<b>\$ 2,936,093</b>	<b>\$ 339,598</b>	<b>\$ 8,699,883</b>	<b>\$ 5,326,748</b>

- A "green" shaded entry in FY19 denotes the expense has been incorporated into the FY19 Operating Budget Recommendation.

- An "orange" shaded entry in FY19 denotes the expense will be presented at April 2018 Town Meeting for funding.

\* - Tangible assets or projects that cost at least \$10,000 and have a useful life of at least 5 years.

Note - The final principal and interest payment for the HS/MS Project is due in May 2019. Net annual Debt Service Expense Costs associated with that Project are ~\$711,000.



# Other Important Topics for Discussion

## Administration's Recommendation

- **Discuss any suggested changes to Superintendent's Budget Recommendation**
  - The Vote to Adopt an Operating Budget for FY19 is required to take place at our next regular meeting on February 13, 2018.
- **Authorization of Debt Discussion**
  - See Section IX of the Regional Agreement
  - A Vote to incur debt (see Capital Plan Recommendation), if applicable, must take place at our next regular meeting on February 13, 2018.



# FY19 Budget: Calendar

SEPTEMBER 18, 2017	DISTRICT SUBMITS FY17 E&D TO MA DOR FOR CERTIFICATION
OCTOBER 26, 2017	DISTRIBUTION OF OCTOBER 2017 RESIDENT ENROLLMENT DATA TO TOWNS
NOVEMBER 6, 2017	DISTRIBUTION OF FY19 BUDGET KICK-OFF MEMO TO HWRSD BUDGET HOLDERS
NOVEMBER 6, 2017	DISTRIBUTION OF FY19 BUDGET CALENDAR
DECEMBER 7, 2017	FY19 BUDGET PLANNING MEETING #1 WITH TOWN FINANCE COMMITTEES
JANUARY 3, 2018	FY19 BUDGET RECOMMENDATION PRESENTED TO SCHOOL COMMITTEE
JANUARY 3, 2018	SCHOOL COMMITTEE REVIEWS FY19 BUDGET RECOMMENDATION
JANUARY 3, 2018	SCHOOL COMMITTEE ADOPTS TENTATIVE FY19 BUDGET
JANUARY 10, 2018	DISTRICT ADMINISTRATION ADVERTISES FY19 BUDGET PUBLIC HEARING #1
JANUARY 17, 2018	SCHOOL COMMITTEE HOLDS FY19 BUDGET PUBLIC HEARING #1
JANUARY 17, 2018	SCHOOL COMMITTEE REVIEWS FY19 BUDGET RECOMMENDATION
JANUARY 24, 2018	SCHOOL COMMITTEE CONDUCTS FY19 BUDGET BUDGET WORKSHOP
JANUARY 30, 2018	DISTRICT ADMINISTRATION MAILS ADOPTED TENTATIVE FY19 BUDGET TO TOWNS
JANUARY 31, 2018	SCHOOL COMMITTEE REVIEWS FY19 BUDGET RECOMMENDATION
FEBRUARY 7, 2018	DISTRICT ADMINISTRATION ADVERTISES FY19 BUDGET PUBLIC HEARING #2
FEBRUARY 7, 2018	FY19 BUDGET PLANNING MEETING #2 WITH TOWN FINANCE COMMITTEES
FEBRUARY 13, 2018	SCHOOL COMMITTEE REVIEWS FY19 BUDGET RECOMMENDATION
FEBRUARY 13, 2018	SCHOOL COMMITTEE HOLDS FY19 BUDGET PUBLIC HEARING #2
FEBRUARY 13, 2018	SCHOOL COMMITTEE ADOPTS FY19 BUDGET
MARCH 16, 2018	DISTRICT TREASURER CERTIFIES FY19 APPORTIONED AMOUNTS WITH TOWNS
APRIL 7, 2018	ANNUAL TOWN MEETINGS