

Budget Planning 2018-2019

Joint Meeting
September 2017

Basic Assessments

(for more detailed information see the ['Budget Primer'](#))

Foundation/Minimum Contribution: The minimum amount the state requires each town to spend based upon their ability to pay.

Non-Foundation/Debt & Transportation: The required town contribution to support approved capital repayments and student transportation.

Above Minimum Contribution: The amount above the required minimums to operate the schools.

Both Minimum and Above Minimum Contributions are used to support student activities across the entire budget.

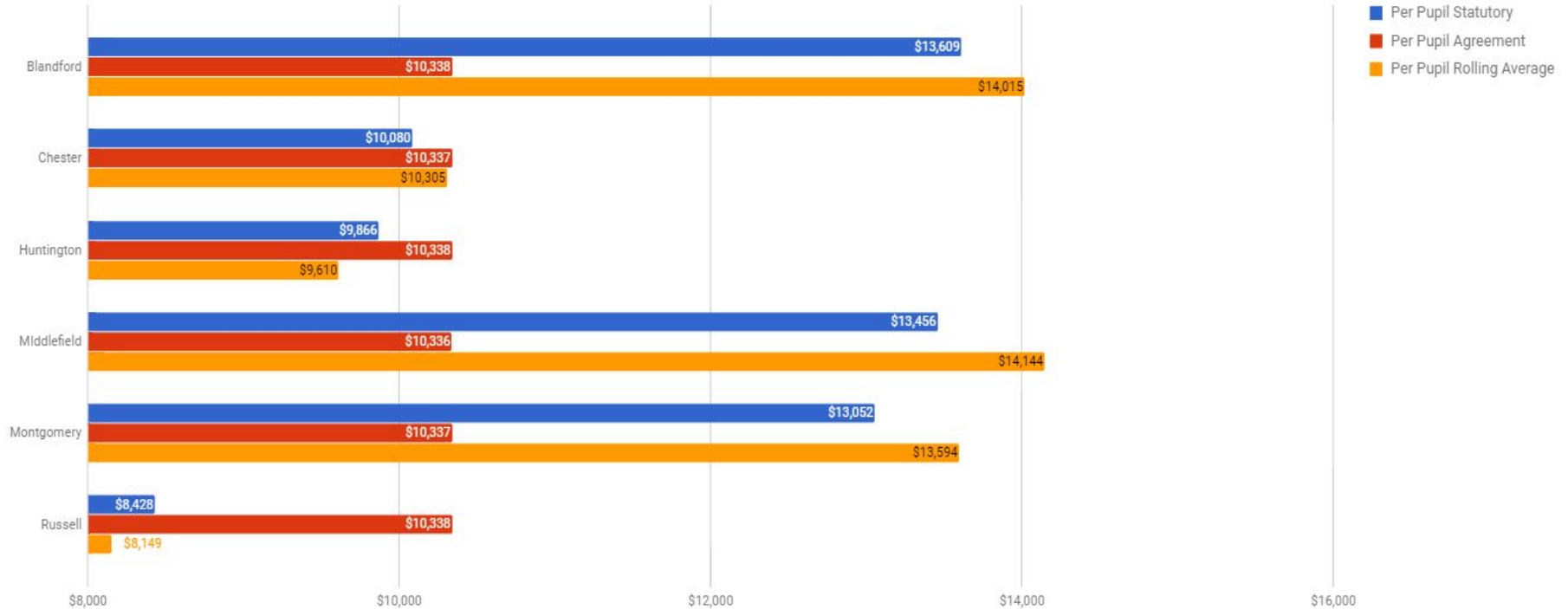
Stabilization Fund for Capital Improvements - MGL C71, S16G1/2

Assessment Methods

Statutory:

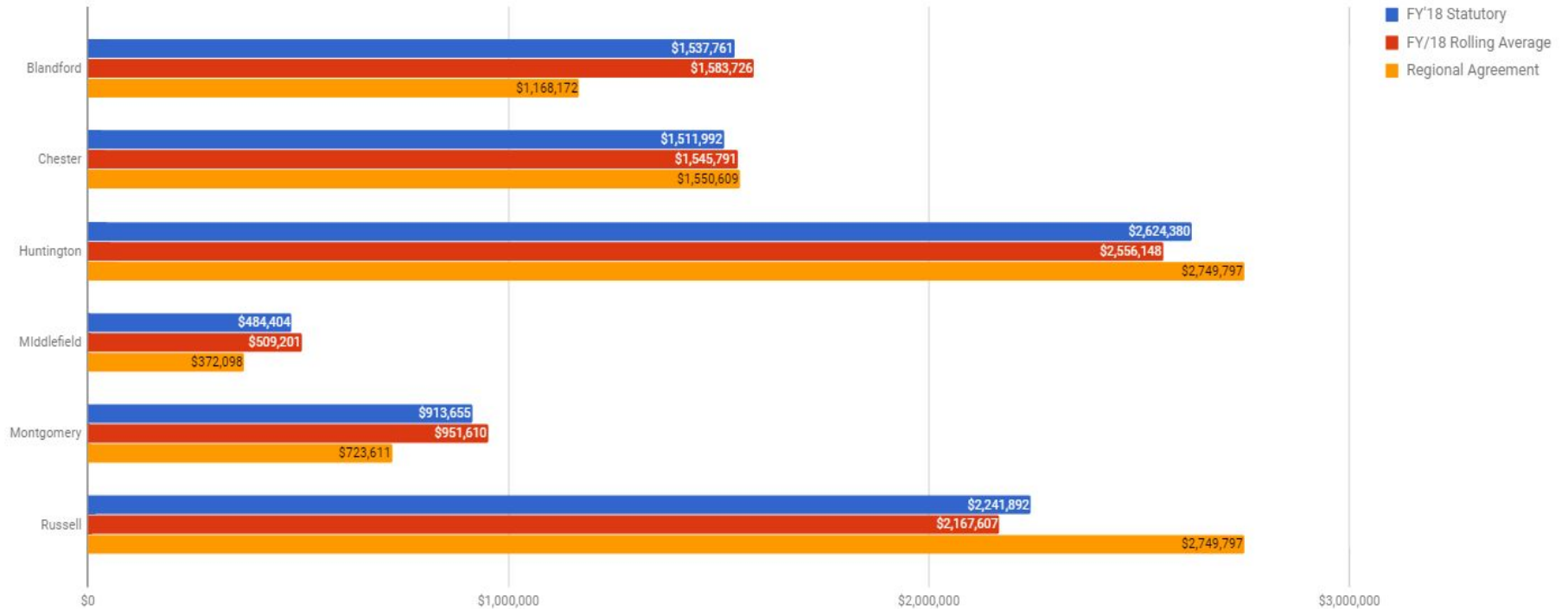
- Default method under MGL
 - Minimum Contribution set by state using formula
 - Above Minimum and Non-foundation based upon percentage of students (March 1 Census)
 - Stabilization Funds would be based upon percentage of students (March 1 Census)
 - Requires four of six towns to accept budget
- Regional Agreement Method
 - Total assessments set strictly by percentage of students (March 1 Census)
 - No town's assessment can be below minimum contribution
 - Requires all six towns to pass to accept budget
- Rolling Average
 - Total assessments set by average student percentage over a set number of years (March 1 Census over time)
 - No town's assessment can be below minimum contribution
 - Would require a change in the regional agreement
 - Would require all six towns to pass to accept budget

Per Pupil Statutory, Per Pupil Agreement and Per Pupil Rolling Average - FY2018, Version 1.0



Under the regional agreement assessment method, all towns would pay the same 'per pupil cost' while under the other methods the towns would pay significantly different amounts.

FY'18 Statutory, FY/18 Rolling Average and Regional Agreement



This chart shows that there are significant changes between assessment methods for each town.

Eight General Mandatory Budget Categories

1000 Function - District Leadership and Administration

2000 Function - Instructional Services

3000 Function - Other School Services

4000 Function - Operation and Maintenance of Plant

5000 Function - Fixed Charges

7000 Function - Acquisition, Improvement and Replacement of Fixed Assets

8000 Function - Debt Retirement and Service

9000 Function - Programs with Other School Districts

Understanding Mandatory Account Numbers

Xxxx.xx.xxxx.xx.xxx.x

Xxxx - Fund (i.e., 1000 is Administration)

Xx - Cost Center (i.e., 08 is High School)

Xxxx - Function (i.e., 2305 is Teaching Staff)

Xx - Department Code (i.e., 06 is primarily Other Expenses such as Travel)

Xxx - Object (i.e., 105 is Salary)

X - Program Code (i.e., 2 is Special Education Related Costs)

Revenue Sources - Foundation Budget

Foundation Budget

- Chapter 70 - Funding allocated by state
- Minimum Contribution (towns)
- Estimated Earned Interest
- Medicaid Receipts
- Miscellaneous Revenue
- Charter Tuition Reimbursement
- Excess & Deficiency
- Above Minimum Contribution (towns)

Revenue Sources - Non-Foundation

Non-Foundation Budget

- Capital Debt - Towns' Contribution
- Bond Premium Money
- Transportation Reimbursement (State, Chapter 71)
- Worthington Capital and Debt/MSBA
- MSBA Payback (Towns' Contribution)
- Acquisition of Vehicles & Improvement
- Transportation - Towns' Contribution

Basic Budget Steps

1. Staff determine budget needs and requests
2. Building leadership puts together area budgets
3. Leadership meets with Superintendent & Business Manager to review budget requests
4. Preliminary budget developed
5. Preliminary budget adjusted to reflect school committee's overall direction, i.e., Improvement budget, level service, level funded, reduction
6. Preliminary budget provided to school committee
7. State revenue estimated (House 1 budget) providing first estimate of town assessments
8. Budget Hearing and Adoption
9. Town Approval

FY'19 Improvements from FY'18

Improvement budget: Increase of \$906,234

- Replace lost teaching staff high school \$225,000
- New kindergarten and first grade teacher \$150,000
- MARS Recommendations \$306,234 (\$159,185 if shared)
 - Curriculum Director, Technology Director, PD,
 - Technology, Instructional Support
 - Return current admin positions to full year
 - Summer Stipends for Teacher Work
- Textbooks/Supplies \$ 15,000
- Two Vans \$ 60,000
- Stabilization \$150,000
- Total \$906,234

Major Changes Impacting FY'19 Budget

Expenditures

- MSBA Payback - Russell Elementary School - \$137,895
- Teacher Contract Negotiations
- Preschool Transportation - MARS recommendation to follow Special Education Transportation Study. Preschool transportation not required. Decrease in amount depending on required elementary special education transportation K-5. (FY '17 PreK transportation cost - \$139,069)
- Further reduction of preschool grant funding

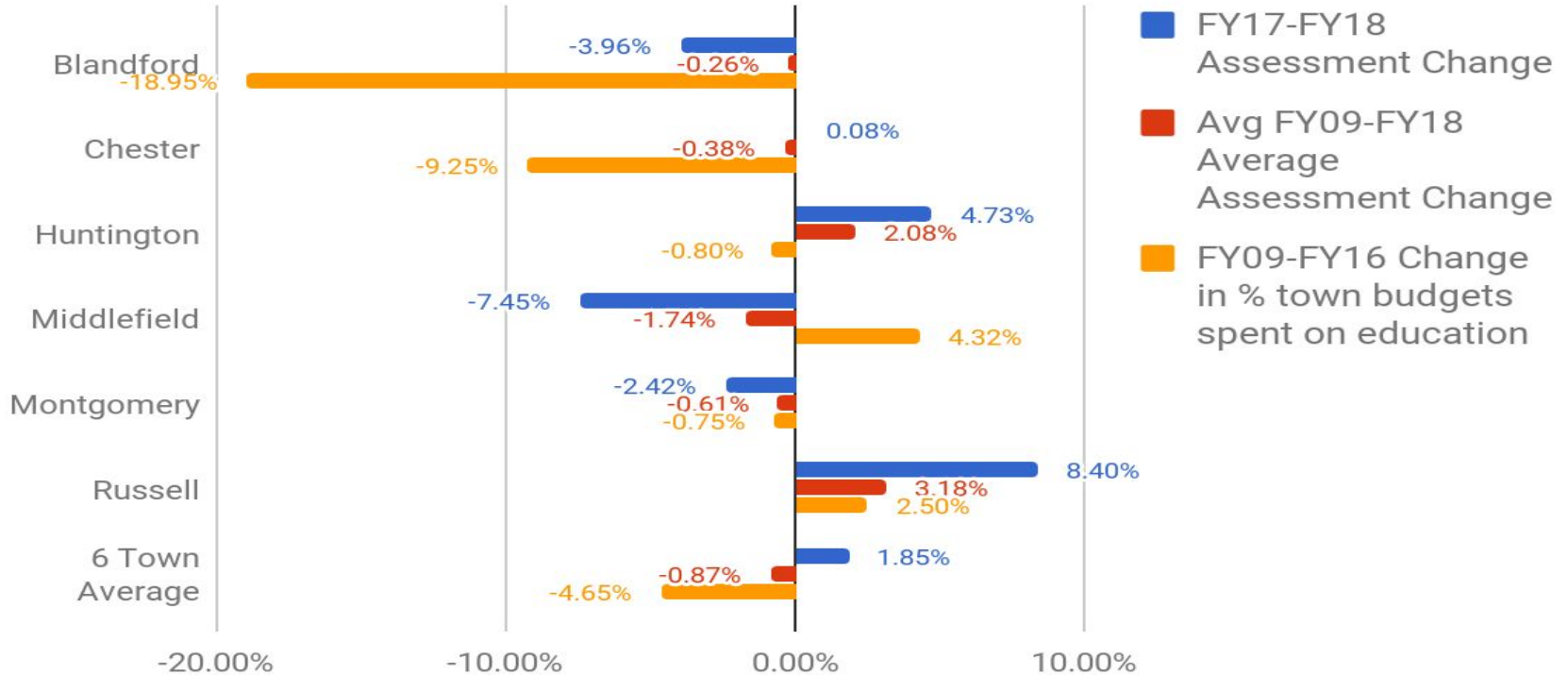
Revenues

- Increase user fees for parking, athletics, building use, and charge rental space (SHAEC)
- Transportation reimbursement - pick up only those students living over 1.5 miles from school. Estimated increase in revenue \$60,000. (students living less than 1.5 miles from school are not reimbursable)
- Consider tuition-based preschool program

Identified Needs From FY'18 (reduced for Version 2)

Secretarial Support (increased days)	\$ 1,738 (Chester/PSV)
Half-Time Nurse	\$ 29,720 (Main Complex)
Security	\$ 24,000 (Evening)
Substitutes	\$ 17,000 (Clerical/Secretarial/Teacher)
Food Service Director	\$ 2,000 (Potential Sharing)
HS/MS Secretary	\$ 20,000 (½ year)
Curriculum Facilitators	\$ 7,000 (Partial)
MS/HS Textbooks	\$ 1,450 (Moved to FY'19)
<u>Copier Supplies/Costs</u>	<u>\$ 3,000</u>
TOTAL	\$105,908

Historical Comparison Town Assessments & % of Town Budgets



In reviewing Huntington’s ATM reports, it appears that there is a difference of [\\$640,047 from FY’10 to FY’16](#) between what was approved at ATM and what was the final assessment (both Gateway and Voke). Assuming that this is similar across towns, is it time for towns to consider an ‘educational stabilization account’ rather than just having this money returned for general government?

Budget Timeline

- **September 13 - Joint Budget Meeting - District Budget Overview and History; Towns' Financial Standing and Concerns**
- *October - Meeting with staff/department heads to develop school/area budgets by principals and administrators*
- **November 8 - Joint Budget Meeting - District Needs/Goals (Budget presentations by administrators); Town Budget Goals**
- *Early November - Administrators meet with business manager and superintendent to review initial budget requests, LTM then reviews initial draft of the total requested budget*
- January 10 - Preliminary line item budget to committee and town officials
- **January 24 - Joint Budget Meeting - Review of preliminary expenditure budget**
- *Late January/Early February - Central Office gathers information from Governor's Budget (House 1) and develops initial estimates of town assessments*
- February 7 - Additional Budget Discussion; Communicate with towns regarding proposed budget
- *February/March - Administrators make any budget adjustments as voted by the school committee*
- **March 7- Public Hearing on FY'16 Budget (Joint Budget Meeting)**
- March 14 - Budget Adoption by School Committee
- **March 28 - Joint Budget Meeting - Town Budgets**
- *March - June - Town assessments are changed to reflect March 1 census data and are finalized whenever the state budget is approved allocating Chapter 70 and Regional Transportation Aid*
- May - June - Town Meetings