

OLD ROCHESTER REGIONAL SCHOOL COMMITTEE

March 24, 2021 at 5:00 p.m.

Marion – Mattapoisett – Rochester, Massachusetts BUDGET PUBLIC HEARING MINUTES MEETING HELD REMOTELY THROUGH ZOOM

Members Present: Cary Humphrey, Chairperson, Heather Burke (arrived at 5:37), Vice-Chairperson, Joseph Pires, Margaret McSweeney, Michelle Smith, Frances Kearns, James Muse, Suzanne Tseki.

Members Absent: Tina Rood.

Others Present: Michael S. Nelson, Superintendent of Schools, Jannell Pearson-Campbell, Asst. Supt. of Teaching & Learning, Howard Barber, Asst. Supt. of Finance & Operations, Craig Davidson, Director of Student Services, Diana Russo, Administrative Assistant to Supt., Michael Devoll, Principal, ORR High School, Silas Coellner, ORR Jr. High School, Kelly Chouinard, Asst. Principal, ORR Jr. High School, Vanessa Harvey, Asst. Principal, ORR High School, teachers, parents, students and members of the press.

Meeting was called to order at 5:00 p.m. by Chairperson Humphrey.

FY22 BUDGET PUBLIC HEARING

Superintendent Nelson made the following statement:

Good Evening – everyone. We have a busy night tonight regarding school committee activities. The first of which is the FY22 budget public hearing. The budget development process started in late fall/early winter and required numerous meetings to strategize the financial direction of Old Rochester Regional School District. Mrs. Burke, Mr. Humphrey, and Mr. Muse listened to our building administrators share their visions for their school buildings moving into next year and collaborated with central office administrators, town administrators, FINCOM boards, and other stakeholders to bring forth tonight's FY22 budget proposal. During the budget development process, we assessed and considered the financial climate, our immediate school programming needs, discussed our known needs in coming years, and prioritized what we know about our students, families, and staff members needs for services, programming, and resources moving into the 2021-2022 school. The impact and reality of the COVID-19 pandemic also has played a major role in the budget process. Although we continue to move towards full in-person learning – we acknowledged that we need to be prepared to address any unknown factors that may arise. As a result – tonight Mr. Barber our Assistant Superintendent of Finance & Operations will present our FY22 budget proposal. We feel this budget represents not only a fiscally responsible proposal – but a budget that allows us to continue to service our students' and families' – meeting our educational expectations. I want to thank all those to have contributed to this process and Mr. Barber for his financial leadership during this process.

Mr. Barber, Asst. Superintendent of Finance & Operations presented the FY22 Budget to members of the School Committee, Members of the Board of Selectmen and the Public.

Budget Methodology and Goals

- To Provide a Modified Zero Based Budget
- To Provide Level, but Cost Effective Programming and Staffing

- To be Proactive, Rather than Reactive
- To Achieve Administrative and Departmental Based Goals
- Integrate All Funds Budget Approach

**Superintendent Proposed
FY2022 Total Operations Budget**

FY21 Budget: \$ 20,673,628
 FY22 Proposed Budget: \$ 21,174,638
 Increase: \$ 501,010
 Net Percent Increase: 2.423%

**Superintendent Proposed
FY2022 Overall Operations Budget**

Department	Amounts	Financial Offsets	Overall Budget
	FY2022	FY2022	FY2022
Old Rochester Junior High	\$ 4,530,266	\$ 144,658	\$ 4,674,923
Old Rochester High School	\$ 6,866,042	\$ 339,656	\$ 7,205,699
Athletic Department	\$ 352,908	\$ -	\$ 352,908
Central Office	\$ 4,967,886	\$ 690,175	\$ 5,658,061
Facilities	\$ 1,600,317	\$ 51,000	\$ 1,651,317
Student Services	\$ 386,230	\$ 53,183	\$ 439,413
Technology	\$ 395,317	\$ -	\$ 395,317
Transportation	\$ 797,000	\$ -	\$ 797,000
Total FY22 Budget	\$ 19,895,966	\$ 1,278,672	\$ 21,174,638
FY21 Budget	\$ 19,702,211	\$ 971,417	\$ 20,673,628
FY22 Budget INC/DEC %	0.983%	31.630%	2.423%

What Makes Up the Financial Offsets to Reduce Assessments?

Direct Offset Funding Source	Amount
Title I	\$ 24,000
IDEA	294,180
ESSER Funding	150,000
School Choice	535,000
Circuit Breaker	80,439
Building Rental	35,000
Project Grow & Early Child Revolving	90,878
Miscellaneous Activity	39,175
TOTAL	\$ 1,248,672

- Offsets are actually used to reduce from the general funds operational budget. We strategically changed from past practice to avoid additional mandated costs from grants for instance to allow us to maximize these resources.

**What is Our Proposed FY2022 Assessment Based Budget?
FY2022 Assessment Based Budget**

❖ FY21 Budget: \$ 19,702,211

- ❖ FY22 Proposed Budget: \$ 19,895,966
- ❖ Increase: \$ 193,755
- ❖ Net Percent Increase: .983%

Budget Priorities & Strategies

Included in the Modified Zero Based Budget

- ❖ \$19,895,966 Operating Budget
 - ❖ New Chapter 74 Vocational Paraprofessional
 - ❖ New Guidance Consultant for Program Evaluation
 - ❖ New Junior High Computer/ Science Lab
 - ❖ Negotiated Union Contract Agreements
 - ❖ Benefits & Negotiated Fixed Costs

Base Pay & Other Compensation*

Union Based Agreement's

- ❖ Teacher's Union Agreement
 - Contracted Obligations – Estimated \$750,000
- ❖ Administrative Assistant's Union Agreement
 - Contracted Obligations – Estimated \$47,000
- ❖ Custodial / Maintenance's Union Agreement
 - Contracted Obligations – Estimated \$18,000

***Our Building Based Union Contracts are 54.8% of the Budget**

Other Than Personal Service - Financial Impacts

Department and Organization Costs

- ❖ Plymouth County Retirement
 - Anticipated Agreement - \$45,000 Increase
- ❖ Unemployment Compensation & Benefit Obligations
 - Projections - \$10,000 Increase
- ❖ Facilities and Operations Cost
 - Utility Agreements – Est. \$30,000 Increase
- ❖ Health & Benefits Agreement
 - Gateway Voted Agreement – Est. \$89,000 Premium Reduction
- ❖ Special Education & Student Services
 - Contract & Service Programs – Est. \$50,000 Reduction
- ❖ Transportation Costs
 - Contract Agreement – Est. \$15,000 Reduction

How Does Enrollment Impact Assessment?

Enrollment Impact to Budget

- **October 1, 2020 numbers down (-42) students**
 - Fiscal Year 2021 (FY20) Students Counts Reported
 - 313 students (-5 students) Marion's
 - 382 students (-12 students) Mattapoissett's
 - 340 students (-25 students) Rochester's
- **Impact to Town(s) Regional Agreement Assessment %**
 - (-5 students) Marion's share increased + .80% to 30.24%

- (-12 students) Mattapoissett's share increased + .39% to 36.91%
- (-25 students) Rochester's share decreased -1.19% to 32.85%

How Does the State or Other Revenues Help Us?

Budget Recognitions

➤ **Chapter 70 – Foundation State Aid Proposed**

- FY2022 projects \$3,074,894 Governors Proposed
 - Including proposed additional \$30 per student
 - Net \$1,140 decrease from FY2021

➤ **Regional Transportation**

- Anticipates \$429,102 or 75% of Eligible Costs
 - COVID-Based Reduction of Transportation Services
 - Estimated \$81,900 or **16% decrease** from current FY21

➤ **Medicaid Reimbursements**

- FY2022 Projects \$25,000 from Current Year Collections
 - Net \$15,000 decrease from FY2021

➤ **Parking Fees and Other Miscellaneous**

- FY2022 Projects \$25,000 Increase
 - Student Based Parking Fees
 - Lost Books, Technology Repair Fees, Etc.

What Creates the Assessments to Our Towns?

Budget Requirements

➤ **Mandated Funding – Minimum Local Contributions**

- Fiscal Year 2022 vs. 2021 MLC Required**
 - \$3,004,341 vs. \$2,933,299 Marion's
 - \$3,637,331 vs. \$3,639,124 Mattapoissett's
 - \$2,666,262 vs. \$2,581,746 Rochester's
 - \$71,042 or 2.42% Marion's MCL Requirement Change
 - (\$2,173) or -.05% Mattapoissett's MCL Requirement Change
 - \$84,516 or 3.27% Rochester's MCL Requirement Change

Minimum Local Contribution (as determined by the state)

\$3,004,341	Marion
\$3,637,331	Mattapoissett
\$2,666,262	Rochester
\$9,307,934	TOTAL

Factors Used by State to Determine MLC

- ❖ Enrollment
- ❖ Wage Adjustment Factor
- ❖ Inflation
- ❖ Property Value
- ❖ Income
- ❖ Municipal Revenue Growth Factor

Calculated Regional Transportation Assessment

REGIONAL TRANSPORTATION

FY 22 projected	689,000		
Projected Regional Transportation Reimbursement (75% estimated of FY20)	<u>429,102</u>		
	259,898		Transportation
Per Agreement (Enrollment)	TRANSPORTATION		
30.2415%	78,597	Marion	
36.9082%	95,924	Mattapoissett	
32.8502%	<u>85,377</u>	Rochester	
	259,898		Agreement

Budget Commitments

➤ Fiscal Year 2022 - Regional Agreement Assessment

Above MLC + Transportation (Per 10/1/2020 Enrollment)

- 30.2415% - \$1,818,757 + \$78,597 = \$1,897,354 Marion's
- 36.9082% - \$2,219,696 + \$95,924 = \$2,315,620 Mattapoissett's
- 32.8502% - \$1,975,646 + \$85,377 = \$2,061,023 Rochester's

Capital & Debt Authorization (Per Dated Enrollment's)

- 27.43% & 30.2415% - \$195,000 + \$14,860 = \$209,860 Marion's
- 38.17% & 36.9082% - \$271,350 + \$18,136 = \$289,487 Mattapoissett's
- 34.40% & 32.8502% - \$244,550 + \$16,142 = \$260,692 Rochester's

What are the Total General Operating Revenues?

Fiscal Year 2021 vs. 2022 Budget Source Comparison

<u>Revenues</u>	<u>FY21</u>		<u>FY22</u>	<u>% Difference</u>
Base Aid Chapter 70	3,076,034		3,074,894	-0.04%
Transportation Chapter 71	550,207		429,102	-22.01%
Assessment Marion	4,956,023		5,111,555	3.14%
Assessment Mattapoissett	6,177,750		6,242,438	1.05%
Assessment Rochester	4,892,197		4,987,977	1.96%
Applied Medicaid	40,000		25,000	-37.50%
Applied Parking Fees & Misc.	10,000		25,000	150.00%
Applied E & D	-		-	0.00%
	\$19,702,211		\$19,895,966	0.98%

What are the Town Assessments?

Town(s) Assessment Summary

FY 2022 Assessment Summary	Operating	Capital	Debt Authorization	Total
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Marion	4,901,695	195,000	14,860	5,111,555
Mattapoissett	5,952,951	271,350	18,136	6,242,438
Rochester	4,727,285	244,550	16,142	4,987,977
Total	15,581,931	710,900	49,139	16,341,970
FY 2021 Assessment Summary	Operating	Capital	Debt Authorization	Total
Marion	4,743,800	195,001	17,222	4,956,023
Mattapoissett	5,885,034	271,352	21,364	6,177,750
Rochester	4,627,733	244,551	19,913	4,892,197
Total	15,256,567	710,904	58,499	16,025,970
Changes	Operating	Capital	Debt Authorization	Total
Marion	157,895	(1)	(2,362)	155,532
Mattapoissett	67,917	(2)	(3,228)	64,688
Rochester	99,552	(1)	(3,771)	95,780
Total	325,364	(4)	(9,360)	316,000
	Operating	Capital	Debt	
	3.328%	-0.001%	-13.713%	
	1.154%	-0.001%	-15.108%	
	2.151%	-0.001%	-18.936%	

PUBLIC HEARING OPEN COMMENTS:

Ms. Tseki thanked Mr. Barber for the very informative presentation.

Chairperson Humphrey also thanked Mr. Barber & Mr. Nelson and also thanked Ms. Burke and Mr. Muse for their part on the budget sub-committee. He expressed it was not an easy process, he expressed there is definitely a lot more that this school district needs, however he explained that the school committee also understands the financial constraints of the Towns. Mr. Humphrey expressed that moving forward the school committee needs to find ways to get some the additional services the school district needs.

V. General

A. Approval of FY 22 Budget

Motion to approve the FY22 Budget at \$19,895,966

MOTION by Mr. Muse

MOTION Seconded by Ms. Burke

ROLL CALL VOTE:

8:0 (Humphrey; yes, Burke; yes, Pires; yes, McSweeney; yes, Smith; yes, Kearns; yes, Muse; yes, Tseki)

Motion to adjourn at 5:45 p.m.

MOTION by Ms. Smith

MOTION Seconded by Mr. Muse

ROLL CALL VOTE:

8:0 (Humphrey; yes, Burke; yes, Pires; yes, McSweeney; yes, Smith; yes, Kearns; yes, Muse; yes, Tseki)

Submitted by Diana Russo