

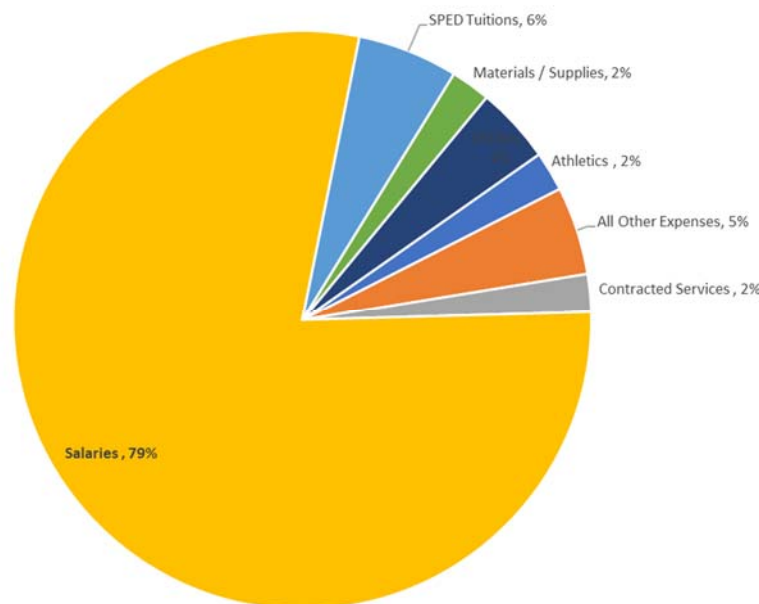
Cohasset Public Schools

The School Operating Budget - Frequently Ask Questions

1. How much is our school budget in Fiscal 2020?

For Fiscal 2020, the town appropriated \$20,337,135 for the school operating budget. In addition, the school budget included \$1,979,435 in offsets to budgeted operating expenses from (i) fees, (ii) tuition payments, (iii) grant funding, (iv) METCO funding, and (v) state funding for a portion of special education expenses (circuit breaker).

Combining appropriated funds and offsets, total district spending was budgeted at \$22,316,570 for Fiscal 2020 (not including shared expenses with the town such as health insurance).



Year-Over Year Increase = \$786,541

FY 2020 Total Requested School Budget = \$20,337,135

2. What is the total budget for the Town of Cohasset? What percent of the town budget does the school budget represent?

For Fiscal 2020, the total appropriated town budget was **\$31,995,958** after shared expenses such as health insurance and fixed costs. Of this **\$19,774,942** was recommended for the schools and **\$12,221,016** for the balance of town departments.

The school budget represented 61.8% of total appropriated town budget for Fiscal 2020.

This did not include **\$562,192** for school custodian staff that were included under the Facilities Department in the Town wide costs section in the FY20 budget.

See Appendix A for the Estimated Recap of Fiscal 2020 appropriation and Town Forecast for Fiscal 2021 and FY2022.

3. Are there any other sources of funding available to the schools?

In addition, the schools were appropriated \$349,214 at Annual Town Meeting for Fiscal 2019 in capital budget funds including: (i) sidewalk repairs, (ii) funding for additional school security measures including PA system and alarm system, (iii) continued funding of the bus lease and (iv) funding for new student information system. At that Annual Town Meeting, the total general fund capital improvements budget for the town was \$2,471,946.

The town has established a special education stabilization fund. The financial goal of the fund is to provide payment for unbudgeted, unforeseen, special education expenses in any year, without forcing cuts to other services during that year. The fund is governed by a reserve policy adopted by the Board of Selectmen and the School Committee. The fund was established with an initial deposit of \$250,000 at Special Town Meeting in November 2016 following deposits at subsequent town meetings the balance of this fund is now at \$361,001.

4. What are the sources of money for the town budget for Fiscal 2020?

For Fiscal 2020, the town budgeted \$48.2 million in revenues. The tax levy on residential property, commercial property and personal property accounts for over 80% of the forecasted revenue of the town.

- Tax Levy - \$40 million
- State Aid - \$3.5 million (Chapter 70, General Local/Unrestricted Aid)
- Local Receipts - \$3.9 million
- Other Receipts / Enterprise Funds - \$0.8 million

5. What policies govern the development of the town budget?

The Town Manager annually prepares a sustainable balanced budget and comprehensive Budget Message with a five-year forecast consistent with the town's financial objectives and with the goal towards maintaining a AAA bond rating.

It is the fiduciary responsibility of the Board of Selectmen to demonstrate sound financial management of Cohasset taxpayer resources and develop a sustainable town-wide budget based on a five year forecast that provides the level of service that the town can afford within known projected revenues. In February 2012, the town approved a series of financial management policies. As part of this policy, all new revenue is allocated after fixed costs in the following manner: 61% shall be allocated to the schools and 39% shall be allocated to town services.

See Appendix B for additional details on the town financial management policies.

6. What is Proposition 2 ½ and how does this impact the town budget?

Under Massachusetts general law there is a 2.5% ceiling on increasing total property tax revenues annually as well as the 2.5% limit on property tax increases. It was passed by ballot measure in 1980 and went into effect in 1982.

The effect of this general law practically caps the amount of new revenue a community such as Cohasset can generate as over 80% of the town revenue is based on residential property taxes. Although Cohasset does generate “new growth” in its tax levy, the current five-year forecast shows modest new tax revenue growth of around \$450,000 per annum for the foreseeable future. It is possible to modify the levy limit through a ballot override which results in a permanent increase of a municipality's levy limit. To place an override question on the ballot, it requires a majority vote of the Board of Selectmen and a simple majority by voters for passage.

7. What is the preliminary Fiscal 2021 town forecast? What can the schools expect?

The preliminary Fiscal 2021 town forecast shows almost \$49.5m in revenue:

- Tax Levy - \$41.4 million
- State Aid - \$3.5 million (Chapter 70, General Local/Unrestricted Aid)
- Local Receipts - \$4 million
- Other Receipts / Enterprise Funds - \$0.6 million

The estimated total shared expenses and transfers to fund accounts such as capital stabilization, general stabilization and OPEB trust fund for FY21 are \$16.5m in total. Once these shared costs are accounted for there will be \$33m in ‘available revenue’ to be appropriated for the School Department and the balance of the Town Departments. This is an overall increase of almost \$1m on the FY20 budget.

Per the Town Financial Management Policies, 61% of this new revenue or \$608,286 is allocated to the schools and \$388,904 is allocated to the balance of town departments. (this does not include a 2% increase to the custodial staff line which is listed under the facilities department on the 5 year forecast).

8. How is the school budget allocated? Who is involved in building the school operating budget?

The annual budget is the financial expression of the educational objectives of the Cohasset School District. Allocating the town and district resources as part of the budget discussion is a collaborative process which requires balancing of a number of competing priorities. In November, the School Committee adopted a series of Fiscal 2021 budget priorities to guide the Committee, district Leadership team and the community during the budget process. See Appendix C for the district budget priorities for Fiscal 2021. The School Committee will also issue a budget message for FY21.

During the fall, the Superintendent, Business Manager and Leadership team build a preliminary site based budget and allocate resources as “needs-based” to individual schools and student services in order to provide a minimum of level services. The School Committee relies on input from the Leadership team to request and prioritize academic and other needs of the district as they construct the preliminary school operating budget. In conjunction with the district Leadership team and other Town committees,

the School Committee works from January to March to develop a financially responsible school budget, which promotes student achievement, but also recognizes the town's five year forecast and financial management policies.

9. Where may I obtain information about the school budget and Fiscal 2021 budget process?

The budget documents for the schools are located in the School Committee section of the district website under the "documents" tab (www.cohassetk12.org). This section of the website will be updated periodically during the budget discussions (generally January to March of each year) to provide the community with the most updated budget discussion materials. In addition, agendas and minutes of the School Committee are also available under the School Committee section of the district website. In addition to School Committee meetings, the community is invited to attend the posted meetings of town committees. Agendas, meeting times, and locations are posted at Town Hall and on the town website (<http://www.cohassetma.org>).

10. How may an individual make his/her opinion known? What is the approval process for the school operating budget?

The school operating budget is discussed in School Committee and other town committee meetings that are open to the public. School operating budget discussions generally begin in October and run through May Town Meeting. See Appendix D for FY 2021 School Budget Calendar. Community members may voice opinions and provide input at any point through communication with School Committee members, at School Council meetings, and at School Committee meetings. The School Committee also holds a public hearing in March. Following this hearing, the School Committee formally votes to certify a proposed operating budget for vote by other town boards and at May Town Meeting.

Citizens may also provide input on school and the town budget priorities to Board of Selectmen and Advisory Committee as both these town boards vote on proposed school operating budget prior to Town Meeting in May. See the Town of Cohasset website for a calendar of all town board meetings (www.cohassetma.org). The votes for or against proposed school operating budget taken by the Board of Selectmen and Advisory Committee in late March and early April are displayed in the Town Warrant prior to May Town Meeting. The community-wide deliberations and vote held at Town Meeting ultimately appropriates annual operating budget funding to the schools and town departments. Should the proposed operating budget by the School Committee not receive majority vote of the community at the Town Meeting vote, the budget will be returned to the School Committee to be amended and re-voted in an additional Town Meeting prior to June 30th.

A current list of contact information and length of terms for all town elected officials and appointed members of boards and committees is available on the Cohasset Town website www.cohassetma.org. Note: A glossary of frequently used school/budget terms is available on the District website.

Appendix A: Cohasset Five Year Forecast (extract)

TOWN OF COHASSET FORECAST		12/19/2019		
5 YEAR ESTIMATES OF REVENUE VS. EXPENSES		RECAP FY20	FY21	FY22
LEVY				
Prior year		37,380,305	38,814,813	40,235,183
2.5% Increase		934,508	970,370	1,005,880
New Growth		509,417	450,000	450,000
Debt Exclusion		1,260,213	1,153,335	846,063
Excess Levy Capacity		(29,623)	-	-
Total Levy		\$ 40,054,820	\$ 41,388,518	\$ 42,537,126
REVENUES(and offsets to operational expenses)				
State Aid/Cherry Sheet		3,480,065	3,514,866	3,550,015
Local Receipts		3,925,260	3,994,131	4,027,290
Transfer from Enterprise Funds for Indirect Costs		212,744	218,063	223,514
Total Revenues		\$ 7,618,069	\$ 7,727,060	\$ 7,800,819
Other Financing Sources/One-time receipts				
Free Cash				
Transfer from Capital Stabilization(debt service)		396,252	205,252	205,562
Transfer from CPC		23,093	21,884	21,284
Transfer from Title V Betterments		75,000	75,000	75,000
Transfer from MSBA Surplus		65,337	65,337	65,337
Total Other Financing Sources/One-time receipts		\$ 559,682	\$ 367,473	\$ 367,183
Total Levy/Revenue/Other Financing Sources		\$ 48,232,571	\$ 49,483,051	\$ 50,705,128
OTHER AMOUNTS TO BE RAISED				
Cherry Sheet Offsets		12,767	12,895	13,024
State & County Assessments		658,175	664,026	669,986
Overlay		195,378	205,000	225,000
Total Other Amounts to be raised		\$ 866,320	\$ 881,921	\$ 908,010
TRANSFERS TO OTHER FUNDS				
Transfer to Capital Stabilization		1,724,026	2,051,060	2,403,364
Transfer Stabilization Fund		50,000	50,000	50,000
OPEB		150,000	165,000	180,450
Total Transfers to Other Funds		\$ 1,924,026	\$ 2,266,060	\$ 2,633,814
Facilities Department				
Custodian Staff		562,192	573,436	584,905
Facilities Staff		502,860	512,917	523,176
Total Facilities Expenditures		\$ 1,065,052	\$ 1,086,353	\$ 1,108,080
Articles/One-Time Costs Funded by Tax Levy				
250th Committee Appropriation		50,000	-	-
Contract Settlements		60,000	-	-
Total Articles/One-Time Costs		\$ 110,000	\$ -	\$ -
SHARED BUDGET DETAILS				
124 Human Resources (town-wide)		206,866	212,038	217,339
125 School Support Officer (town-wide)		77,265	79,197	81,177
132 Reserve Fund		234,090	238,772	243,547
155 Chief Information Office (town-wide)		514,621	541,534	555,072
945 Risk Management		390,677	410,211	430,722
390 So Shore Vo Tech		59,450	172,295	176,602
391 WJC: Interface		12,500	12,500	12,500
700 Debt & Interest		981,616	708,695	411,586
700 Debt & Interest Excluded		1,325,550	1,218,672	911,400
911 Norfolk County Pension		2,462,635	2,636,498	2,900,148
912 Workers' Compensation		198,373	208,292	218,707
914 Health Insurance		5,433,859	5,433,859	5,814,229
915 Life Insurance		10,335	10,542	10,753
916 Medicare Taxes		363,378	372,462	381,774
Total Shared Budgets		\$ 12,271,215	\$ 12,255,567	\$ 12,365,556
Total All Expenditures		\$ 16,236,613	\$ 16,489,901	\$ 17,015,460
Available Revenue		\$ 31,995,958	\$ 32,993,150	\$ 33,689,668
Net Change Y/Y		\$ 229,357	\$ 997,191	\$ 696,518
% Change Y/Y		0.72%	3.02%	2.07%
School Share of 61% New Revenue		\$ 139,908	\$ 608,286	\$ 424,876
Town Share of 39% New Revenue		\$ 89,449	\$ 388,904	\$ 271,642
School Budget as Recommended		\$ 19,774,942	\$ 20,383,228	\$ 20,808,104
Town Budget as Recommended		\$ 12,221,016	\$ 12,609,921	\$ 12,881,563
		\$ 31,995,958	\$ 32,993,149	\$ 33,689,667

Appendix B: Town of Cohasset - Financial Management Policies

Financial Objective

Adopted February 28, 2012

It is the Financial Objective of the Board of Selectmen to demonstrate sound financial management of Cohasset taxpayer resources through earning a AAA bond rating that includes developing a sustainable town-wide budget based on a five year forecast that provides the level of service we can afford within our known projected revenues.

Policy Statements

1. The Town Manager shall annually prepare a sustainable balanced budget and comprehensive Budget Message with a five year forecast consistent with the Town's Financial Objective and with the goal towards obtaining and securing a AAA bond rating. The Budget Message shall include a detailed examination of trends in tax levy "new growth" revenues, local receipts, state aid, and available funds.
2. The town will avoid budgetary procedures that balance current expenditures at the expense of meeting future years expenses, such as postponing expenditures, accruing future years' revenues, rolling over short-term debt.
3. Ongoing operating costs will be funded by ongoing operating revenue sources. This protects the Town from fluctuating service levels and avoids concern when one-time revenues are reduced or removed. In addition:
 1. Fund balances should be used only for one-time expenditures such as capital improvements, capital equipment and unexpected or extraordinary expenses such as unbudgeted snow and ice removal expenses.
 2. New operating costs associated with capital projects should be funded through the operating budget but reflected in the capital improvement plan.
 3. All new services, equipment, and personnel proposals shall include a full life-cycle cost analysis prior to budget approval.
 4. Use of single and multiple year grants should not fund operational costs as there is no guarantee the Town will fund future operational liabilities once grants expire. It is encouraged that grants are utilized to fund one-time expenditures and are programed outside operation budget.
4. The Town will maintain a Stabilization Fund as its main financial reserve in the event of an emergency or extraordinary need. It shall be the goal of the town to achieve and maintain a balance in the Stabilization Fund of 5% of its operating budget.
5. Debt service and Capital Stabilization on an annual basis should be no more than 10% of the annual operating budget. Debt roll-off and funding below 10% will be reallocated to a capital project fund with approval of Town Meeting. The Town should strive to issue debt for shorter periods than the maximum allowable when the statutory limit exceeds 10 years.

6. All new revenue shall be allocated after fixed cost in the following manner: 61% shall be allocated to the schools and 39% shall be allocated to town services.

7. The Town will identify solutions and begin to fund other post-employment benefits – unfunded liability is currently valued at \$32,380,795 as of July 1, 2010.

8. The Town will identify options to reduce levy limit once AAA Bond Rating is achieved and maintained and unfunded liabilities of the Town are funded.

Appendix C: FY21 Budget Priorities

FY21 Budget Priorities

Elementary Numeracy	Early numeracy recommendations are supported based on an on-going review of kindergarten to 5 th grade curriculum and instruction by a cross-functional team.
Curriculum Alignment & Rigor	Our curriculum is being analyzed vertically and horizontally to determine programmatic changes that are required to improve our alignment and increase our instructional rigor. These changes include consideration of diverse learners, state learning standards and our expansion of co-teaching.
Social Emotional Learning	Social emotional learning continues as a pillar of student centered learning. Our priorities for FY21 are to address tiered support needs and to increase cultural competency / proficiency within our instruction and curriculum. We are also looking to establish assessment tools that help determine SEL needs.
Safety & Facilities	Ensure our buildings are safe, secure and well maintained. Including capital budget, facilities improvements, custodial and maintenance.



Appendix D: Budget Calendar Fiscal 2021

August	<i>Principals submit building maintenance needs to Director of Finance and Operations.</i>
September	Submit Capital requests to Town Manager / Capital Budget Committee.
October	<i>Budget Information sent to Principals and discussed at District Leadership meeting.</i>
October 30	School Committee discusses principles and priorities to guide the budget process.
November	<i>District leaders submit budgets to Director of Finance and Operations.</i>
November 20	School Committee finalizes Budget Priorities. 
November	<i>Superintendent and Director of Finance and Operations meet w/Principals and Directors to discuss preliminary FY21 budget.</i>
November 28	School committee to discuss Budget Process Update.
December	<i>Superintendent and Director of Finance and Operations review preliminary budget.</i>
December 3	FY21 Budget Workshop with District Leadership Team.
December 18	School Committee reviews 'first pass' of budget and school budget FAQ.
January	School Committee receives preliminary FY21 Operating Budget.
January 8	Superintendent and Director of Finance and Operations present overview of proposed FY21 Operating Budget and Capital Budget to School Committee.
January 22	FY21 Line Item Budget Presentation to School Committee.
February 5	School Committee discussion of the FY21 Budget
February 14	District publishes notice of upcoming public hearing in local newspaper.
February 26	School committee discusses budget and receives presentation of state budget (Representative Meschino and Senator O'Connor).
TBD	Joint meeting of School Committee, Selectmen and Advisory Committee.
March 4	School Committee public hearing on budget.

March 4

School Committee votes final adoption of budget and certifies budget figure.



May

Town Meeting.

June

Final Account Line budgets sent to Principals and Directors.



- School Committee Votes