

FY25 CCRSD SUPERINTENDENT'S RECOMMENDED BUDGET

December 5, 2023

Presentation to Concord-Carlisle Regional School Committee

Budget Process Overview

ZERO BASED BUDGETS

- Build from ground up, re-evaluate each line item each year
- Built by principals / administrators

Town Budget Process

- “Guidelines” established by Town of Concord, communication with Carlisle



PRELIMINARY FY25 BUDGET + OPEN HEARING (DECEMBER 2023)

Present to School Committee, and share with Town officials

Feedback loop

- Town officials
- SCOM

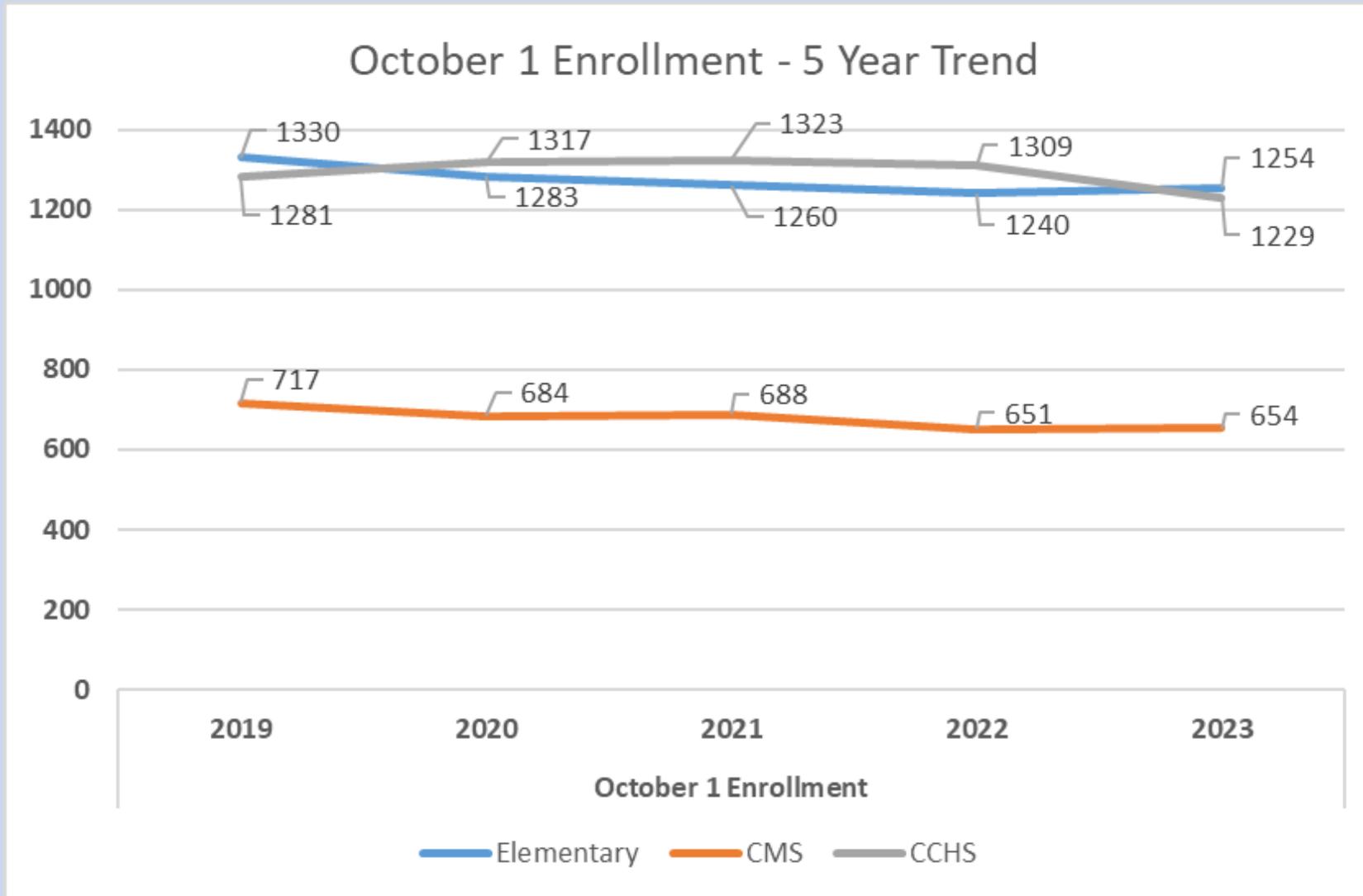
Review & Revise

New information (Jan)

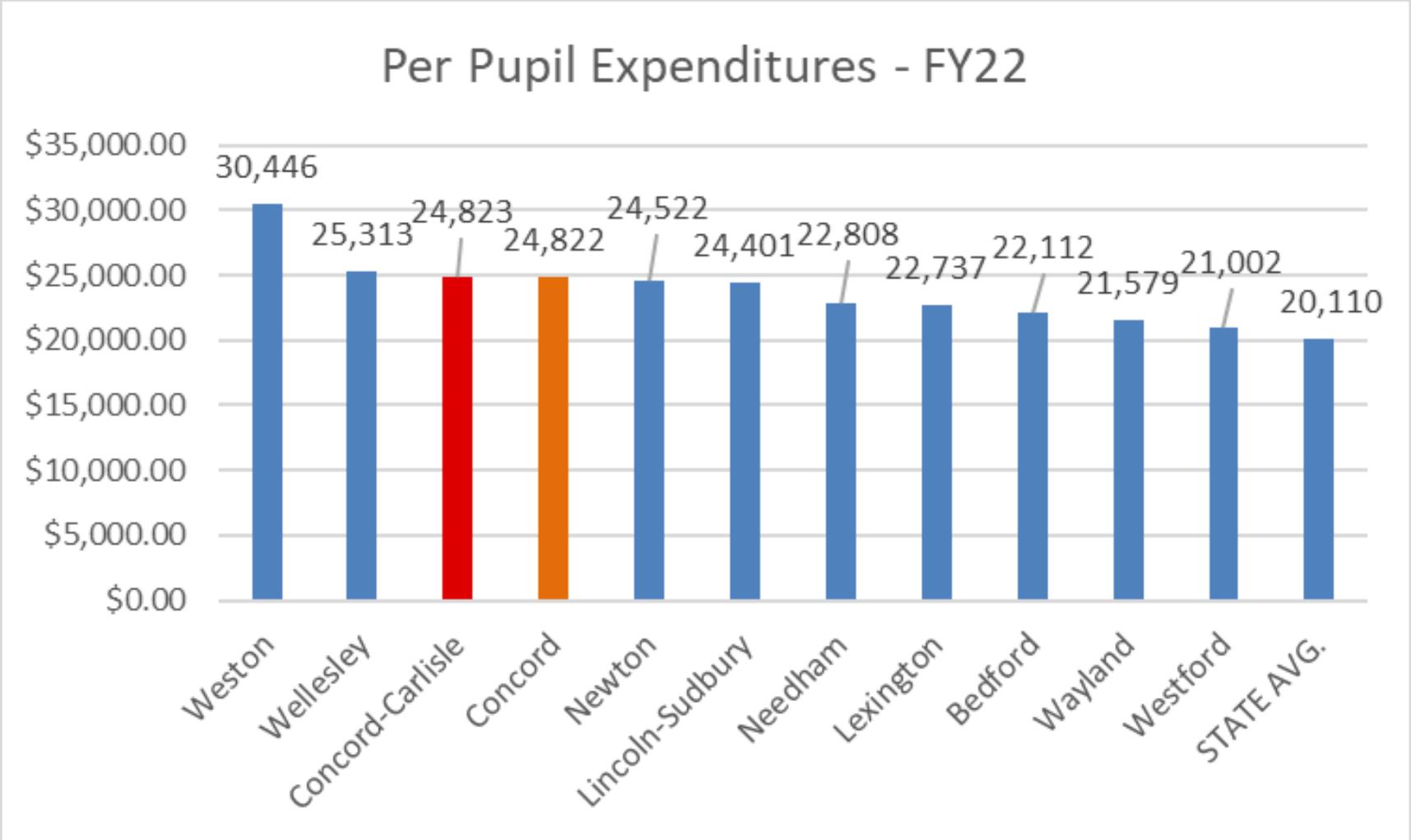
- State Aid (Ch. 70, et al)
- Expense/service changes

REVISED FY25 BUDGET (AS NEEDED)

Student Enrollment Trends FY19 – FY23



Per Pupil Expenditure Data



Source: Department of Elementary and Secondary Education

Budget Process Overview and Objectives

- Maintain existing programs and supports to students
- Support Strategic Plan initiatives
- Meet legal mandates for special education, and homelessness

Budget Summary

- FY25 Proposed Budget is \$39,085,301, an increase of \$1,274,203, or 3.37% over the FY24 budget

FY25 CCRSD BUDGET - DESE 1000 FUNCTION

| DESE FUNCTION | DESE FUNCTION DESCRIPTION | FY24 REQUESTED BUDGET | FY25 REQUESTED BUDGET | Change (\$) FY25 BUD vs. FY24 BUD | Change (%) FY25 BUD vs. FY24 BUD |
|---------------|---------------------------|-----------------------|-----------------------|-----------------------------------|----------------------------------|
| 1000 | DISTRICT ADMINISTRATION | 1,626,630 | 1,701,705 | 75,075 | 4.6% |
| 2000 | TEACHING & INSTR. SUPPT. | 20,492,291 | 21,019,982 | 527,690 | 2.6% |
| 3000 | OTHER SCHOOL SERVICES | 2,936,055 | 3,399,887 | 463,832 | 15.8% |
| 4000 | MAINTENANCE & OPERATIONS | 2,098,900 | 2,324,240 | 225,340 | 10.7% |
| 5000 | FIXED CHARGES | 4,346,715 | 4,456,572 | 109,856 | 2.5% |
| 7000 | FIXED ASSETS | 356,218 | 391,900 | 35,682 | 10.0% |
| 8000 | DEBT SERVICE | 4,006,047 | 3,913,137 | (92,910) | -2.3% |
| 9000 | OUT OF DISTRICT TUITIONS | 1,948,242 | 1,877,880 | (70,362) | -3.6% |
| | TOTAL | 37,811,098 | 39,085,301 | 1,274,203 | 3.37% |

Key Drivers – by DESE 1000 FUNCTION

District Administration (1000)

- **\$75K, 4.6% increase over FY24 Budget**
 - Admin Software Support \$21.9K (29.0%)
 - Align budget with run rates / actuals in the past couple years
 - Mosyle (\$13K) – Apple mobile device mgmt. and security
 - Administrative salaries \$48K (3.6%)

Key Drivers – by DESE 1000 FUNCTION

Teaching & Instructional Support [Staffing] (2000)

- **\$369K, 2.0% increase over FY24 Budget**

Teacher staffing adjustments

- Shifting 0.5 SPED teacher from ESSER-3 funding to budget
- Increasing 1.0 Math, 0.25 Music, 0.25 English
- Decreasing 0.6 Social Studies, 0.7 Special Educ., 0.4 Science, 0.25 World Lang.

Non-teacher staffing changes

- Add 1.0 FTE for Assistant Principal (hired in FY24)
- Decreasing 3.0 Special Education Instructional Assistants

Key Drivers – by DESE 1000 FUNCTION

Teaching & Instructional Support (2000)

- Teaching and Instructional Support [*Contractual Services*]
 - \$78K, 21.1% increase over FY24 Budget
 - \$34K for Calculus Project (DEIB Contract Services)
 - \$26K for Professional Development stipends
 - \$18K for special education contract services
- Teaching and Instructional Support [*Supplies & Materials*]
 - \$20K, 2.9% net increase over FY24 budget
- Teaching and Instructional Support [*Other*]
 - \$61K, 16.9% increase over FY24 Budget
 - \$29K for Cartwheel mental health software
 - \$21K for textbooks-all disciplines

Key Drivers – by DESE 1000 FUNCTION

Other School Services (3000)

- **\$463K, 15.8% increase over FY24 Budget**
 - Add 1.0 FTE Athletic Trainer \$70K
 - Special Ed Transportation \$122K (25%)
 - Regular Ed Transportation \$89K (9.4%)
 - Coaches Salary \$49K (11.3%)
 - Nurses \$37K (10.6%)
 - Co-Curricular Salaries \$27K (10.9%)
 - Co-Curricular Supplies \$20K (400%)

Key Drivers – by DESE 1000 FUNCTION

Maintenance and Operations (4000)

- **\$225K, 10.7% increase from FY24 Budget**
 - CCHS Electricity \$129K (37.5%)
 - Maintenance/bldg. service labor costs \$35K (3.6%)
 - Maintenance Contracted Services \$23K (15.3%)
 - Maintenance Supplies \$20K (32.2%)

Key Drivers – by DESE 1000 FUNCTION

Fixed Charges (5000)

- **\$110K, 2.5% increase from FY24 Budget**
 - Hospital/Life Insurance (active and retiree) \$127K (6.0%)
 - Workers' Comp. \$55K (39.3%)
 - FICA Med. Insurance \$62K (19.7%)

Offset by reductions in:

- Sick Leave buy back -\$31K (-54.5%)
- OPEB Contribution -\$125K (-22.73%)

Key Drivers – by DESE 1000 FUNCTION

Fixed Assets (7000)

- **\$36K, 10% increase from FY24 Budget**
 - Applied Technology \$35K
 - Replacing computer lab hardware

Key Drivers – by DESE 1000 FUNCTION

Debt Service (8000)

- **-\$93K, -2.3% decrease from FY24 Budget**
 - Access Road Bond Anticipation Note (BAN) added in FY25, interest only payments in Year 1 and Year 2
 - Other BAN (landfill remediation) is being aggressively paid down, and are on track to be paid off before Access Road principal payments commence
 - Existing Bonds related to CCHS Bldg Project are level principal, declining interest, driving the decrease in debt service

Key Drivers – by DESE 1000 FUNCTION

Out of District Tuitions (9000)

- **-\$70K, -3.6% decrease from FY24 Budget**
 - Gross tuition costs for special education, prior to offsets, decreased from \$3.715M to \$3.541M, equating to (\$174K) decrease (4.69%)
 - Budget offsets from Circuit-breaker and IDEA grant decreased by \$82K
 - Circuit-breaker carryover funds offset decreased from (\$1,376,678) to (\$1,275,000)
 - FY24 included \$100K in current year C/B funds
 - IDEA offset increased from (\$425,000) to (\$445,000)
 - Charter School Assessment increase of \$19K (93.5%)

Salaries / Non-Salary accounts Breakout

| Expense Type | FY24 BUDGET | FY25 REQUESTED BUDGET | Difference (\$) FY25 BUD vs. FY24 BUD | Difference (%) FY25 BUD vs. FY24 BUD |
|------------------|-------------------|-----------------------|---------------------------------------|--------------------------------------|
| Salary accts | 23,684,575 | 24,377,536 | 692,961 | 2.93% |
| Non-Salary accts | 14,126,523 | 14,707,765 | 581,242 | 4.11% |
| Total | 37,811,098 | 39,085,301 | 1,274,203 | 3.37% |

ESSER FUNDING UPDATE

| <u>Entity</u> | <u>Grant Name</u> | <u>Grant Budget</u> | <u>FY20-22 Expense</u> | <u>FY23 Expense</u> | <u>FY24 Projected</u> | <u>FY25 Projected</u> | <u>Grant Deadline</u> |
|---------------|---------------------|---------------------|------------------------|---------------------|-----------------------|-----------------------|-----------------------|
| CCRSD | ESSER I (CARES) | 297,000 | 297,000 | | - | | 12/31/2021 |
| CCRSD | DESE Emergency Reli | 26,263 | 26,263 | | | | 9/30/2022 |
| CCRSD | ESSER II | 95,886 | | 95,886 | | | 9/30/2023 |
| CCRSD | ARP - IDEA | 111,921 | | 83,630 | 28,291 | | 9/30/2023 |
| CCRSD | ESSER III | 193,025 | | 91,487 | 101,538 | | 9/30/2024 |
| | CCRSD TOTAL | 724,095 | 323,263 | 271,003 | 129,829 | | |

ESSER III – Use of Funds

- \$163,326 Specialist Teacher (Reading Specialist) – two years
- \$15,000 Summer School Programs – two years
- \$14,699 Required MTRS Contribution

\$193,025

9/30/2024 grant deadline (early in FY25)

Supporting Homeless Students – Financial update

In District Students

- Estimated FY24 grant funding of \$74K (\$70K state, \$4K federal)
- Uses of grant funds:
 - Instructional assistant
 - Contract services (translation, various other services)
 - Family Coordinator

Out of District Students (traveling to home district)

- Homeless transportation costs for FY24 are projected to run around \$118K; the district has not budgeted for these costs (\$85K related to Concord shelter)
 - Participating in DESE pilot that will provide more timely reimbursement and via a funding mechanism that allows district to offset costs directly upon reimbursement

Other Post-Employment Benefits

- OPEB Trust value @ 06/30/2023 \$8,601,590
- OPEB Liability @ 6/30/2023 \$16,550.654

52% Funding Level

- *Level contributions of \$425K per year for the next five years, during which time the district continues to pay for retiree benefits and make no withdrawals from the OPEB Trust is projected to substantially fund the Trust*

(per OPEB Actuaries, Stone Consulting, subject to market returns)

FY25 Revenues – Changes from FY24

- Chapter 70 Aid \$88K increase (2.7%)
- Chapter 71 Aid (\$54K) decrease (-6.3%)
- Interest Income \$195K increase (244%)
- Rental Income (\$20K) decrease (-100%)

\$209K increase vs. FY24 (4.6%)

- *These revenues are based on FY23 actuals and trends/forecasts*

Excess & Deficiency offset is level to FY24 at \$300K

FY25 Assessments

| Assessment Comparison w/o Debt | | | | Concord | | Carlisle | | Total |
|--|--|--|--|----------------|--|-----------------|--|------------------|
| FY2024 | | | | 22,302,834 | | 6,942,949 | | 29,245,783 |
| FY2025 | | | | 23,234,852 | | 7,169,299 | | 30,404,151 |
| Difference | | | | 932,018 | | 226,350 | | 1,158,368 |
| | | | | 4.18% | | 3.26% | | 3.96% |
| <hr/> | | | | | | | | |
| Assessment Comparison w/ Debt Service | | | | Concord | | Carlisle | | Total |
| FY2024 | | | | 25,357,846 | | 7,893,984 | | 33,251,830 |
| FY2025 | | | | 26,225,271 | | 8,092,016 | | 34,317,288 |
| Difference | | | | 867,426 | | 198,032 | | 1,065,458 |
| | | | | 3.42% | | 2.51% | | 3.20% |

FY25 Assessments – Enrollment Shift Impact

| | Concord | | Carlisle | |
|--------------------------|----------------|-----------------|-----------------|-----------------|
| | % | Students | % | Students |
| FY24 Enrollment % | 76.26% | 941 | 23.74% | 293 |
| FY25 Enrollment % | 76.42% | 885 | 23.58% | 273 |
| | | | | |
| | Concord | | Carlisle | |
| FY24 Assessment | \$ 25,357,846 | | \$ 7,893,984 | |
| Budget Driven increases | \$ 812,518 | 3.20% | \$ 252,940 | 3.20% |
| Enrollment Driven Change | \$ 54,907 | 0.22% | \$ (54,907) | -0.70% |
| FY25 Assessment | \$ 26,225,271 | | \$ 8,092,016 | |
| FY25 Increase | \$ 867,425 | 3.42% | \$ 198,032 | 2.51% |

Excess & Deficiency

- Limited to 5% of Operating + Capital Budget (current year)
- Cap = 1,890,555

| | |
|----------------------------------|--------------------|
| • FY22 Certified E&D Balance: | \$1,651,280 |
| • Add FY23 favorable revenues: | \$495,551 |
| • Add FY23 expenditure balance: | \$433 |
| • Deduct FY23 Budgeted E&D usage | <u>(\$300,000)</u> |
| Projected Balance: | \$1,847,264 |

- Projected to be just short of 5.0% cap (98% of cap)

QUESTIONS ?

REFERENCE SLIDES

Expenditure Budgets: DESE Categories

- **ADMIN (“1000”)** = SCHOOL COMMITTEE, SUPERINTENDENT, BUSINESS OFFICE, ADMIN TECHNOLOGY, LEGAL SERVICES
- **INSTRUCTIONAL SERVICES (“2000”)** = TEACHING & LEARNING STAFF & MATERIALS, STUDENT SVCS, CLASSROOM INSTRUCTION, TEACHERS, PARAS, PROFESSIONAL DEVELOPMENT, CLASSROOM SUPPLIES, ETC, GUIDANCE, & PSYCHOLOGICAL SVCS
- **OTHER SCHOOL SERVICES (“3000”)** = NURSING, FOOD SERVICE, TRANSPORTATION, STUDENT ACTIVITIES, & ATHLETICS
- **OPERATIONS & MAINTENANCE (“4000”)** = CUSTODIAL SERVICES, UTILITIES, MAINTENANCE OF BUILDINGS / GROUNDS, TECH NETWORK & INFRASTRUCTURE
- **FIXED CHARGES (“5000”)** = LEASES, INSURANCE COSTS, RETIREMENT COSTS, OPEB
- **TUITIONS (“9000”)** = SPED OOD PLACEMENTS, SCHOOL CHOICE, CHARTER TUITION