

Compromise Budget

Adopted June 6, 2023

Slides Updated June 9, 2023

MERSD FY24 Operational Budget Revision

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- Provides a short-term solution that allows the District to stabilize and regroup to pursue a long-term solution for FY25, and to better position MERSD to maintain its future financial health and performance.
- Closes the \$781,000 gap through a combination of position cuts and use of reserve funds.
- Retains all high school elective courses and related teacher positions that were identified for reduction in the May 16th Reconsidered Budget.
- Maintains the current K-12 music structure but defers implementation of the Performing Arts Coordinator role.
- Reduces 6.95 instructional positions through attrition (i.e., not replacing retiring teachers, instead of layoffs).
- Includes the use of reserves as revenue (Excess and Deficiency at \$287,102). Although this reduces reserve usage by 45% over FY23, reserve funds are needed for MERSD's 5-year capital improvement plan and to keep Essex Elementary School operational, while awaiting a decision from MSBA about the school's future, as well as for extraordinary or unforeseen expenditures. Consistent use of reserve funds for general operating expenditures is not sound fiscal practice and sets up the District for a greater funding cliff for the FY25 budget.
- Asks for commitment to a facilitated budget process with member towns to find a long-term solution to this recurring problem and support of financing for the turf fields.

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Teacher Position Cuts FY24 Budget Proposal - Compromise Version

2.7 OB	Memorial	Elementary Classroom	1	Classroom Section Elimination
2.7 OB	MS	Special Education Liaison	1	Position Elimination
2.7 OB	HS	HS Math	1	Position Elimination
2.7 OB	Memorial	Special Education Specialized Prg.	1	Position Elimination / Program Service Restructure
3.21 RB	Elem	Math Specialist	ESSER III	Funding Expires FY24 / Add to FY25 budget or cut
5.23 RB.2	HS	Music	0.95	Position Elimination / Attrition / Defer Performing Arts Crd.
5.23 RB.2	HS	Science	1	Position Elimination
5.23 RB.2	Memorial	Elementary Classroom	1	Classroom Section Elimination
5.23 RB.2	MS	Health Wellness	LTS	LTS Expires FY24 / Add to FY25 budget or cut
5.23 RB.2	District	Reading Specialist		Position Elimination / Program Restructure
5.23 RB.2	Districtwide	Paraprofessionals / Teaching Assistants	4.6	Intervention Program Reorganization
FY24		FY24 Teacher FTE Reduction Total	6.95	
FY24		Teaching Assistant FTE Reduction Total	4.6	

FY19-24 Position FTE Reduction Total 15.85

FY19-24 Teaching Assistant FTE Reduction Total 5.8

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Compromise Package Revision 6.6.23	\$780,894
Grade 6 Spanish	<i>no value carried in 3.21 Budget</i>
Late Bus	\$20,000
Small Capital	\$35,000
All non-META COLA reduce to 2.5%	\$52,000
2.95 Teacher FTE - <i>All Staffing Reductions Through Attrition</i>	\$298,100
4.6 Paraprofessionals / Teaching Assistants	\$138,692
Excess & Deficiency Reserve Allocation to Revenue	\$287,102
<i>Estimated Unemployment Costs</i>	<i>-\$50,000</i>
	\$780,894

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History & Options

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<i>FY 24 Budget Revision History</i>	FY24 Adopted Budget 2.7.23	FY24 Revised Adopted Budget 3.21.23	FY24 Reconsidered Budget 5.16.23	FY24 Compromise** Budget 6.6.23
<i>Total Budget Spending</i>	\$30,236,064	\$29,750,180	\$28,969,280	\$29,256,388
<i>Cuts Made to 2.7.23 Adopted Budget</i>		-\$485,884	-\$1,266,784	-\$979,676
<i>Reserves</i>	\$0	\$0	\$0	\$287,102
<i>Spending</i>	4.53%	2.85%	0.15% *	1.14%
<i>Assessment</i>	6.90%	5.09% *	1.97%	1.97%
<i>TOE Apportionment</i>	8.96%	7.12%	3.93%	3.93%
<i>MBTS Apportionment</i>	5.72%	3.94%	0.85%	0.85%
<p style="text-align: right;">*0.15 % Essentially Level Funded - \$43K Greater than FY23</p> <p>**Compromise Budget Includes 2 FTE 1 Year Cost Offsets = \$125K will result in a direct increase to FY25 Budget</p> <p style="text-align: right;">Note: Estimated Deficit for FY25 \$1.2 – \$1.5M</p>				

Full Position Cut History Including FY24 Compromise Scenario

Enrollment Related Teacher Position Reductions FY19-FY23

FY19-FY23	Elem	Elementary Librarian	1	Position Elimination/Shared Elementary
FY19-FY23	Elem	Elementary World Lang Prog.	1	Elim Program
FY19-FY23	MS	6th Grade World Lang	0.6	Elim Program
FY19-FY23	Elem	Elementary Art	0.5	Position Elimination/Shared Elementary
FY19-FY23	Elem	Elementary Tech Teacher	1	Multi Year Reorg / Dig Lrng. Sp.
FY19-FY23	Memorial	Elementary Classroom	3	Classroom Section Elimination
FY19-FY23	Elem	Psychologist	1	Position Elimination/Shared Elementary
FY19-FY23	Memorial	Elementary PE	0.4	Position Elimination
FY19-FY23	HS	Art	0.4	Section Reduction
FY19-FY23	Essex	Gen Ed Reading Teaching Assistants	1.2	Intervention Program Reorganization

FY19-FY23 ***Position FTE Reduction Total*** ***8.9***

FY19-FY23 ***Teaching Assistant FTE Reduction Total*** ***1.2***

Teacher Position Reductions FY24 Budget Proposal - Compromise Version 6.6.23

2.7 OB	Essex	Elementary Classroom	1	Classroom Section Elimination
2.7 OB	MS	Special Education Liaison	1	Position Elimination
2.7 OB	HS	HS Math	1	Position Elimination
2.7 OB	Memorial	Special Education Specialized Prg.	1	Position Elimination / Program Service Restructure
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5.23 RB.2	MS	Health Wellness	LTS	LTS Expires FY24 / Add to FY25 budget or cut
5.23 RB.2	District	Reading Specialist		Position Elimination / Program Restructure
5.23 RB.2	Districtwide	Paraprofessionals / Teaching Assistants	4.6	Intervention Program Reorganization

FY24 ***FY24 Teacher FTE Reduction Total*** ***6.95***

FY24 ***Teaching Assistant FTE Reduction Total*** ***4.6***

FY19-24 Position FTE Reduction Total ***15.85***

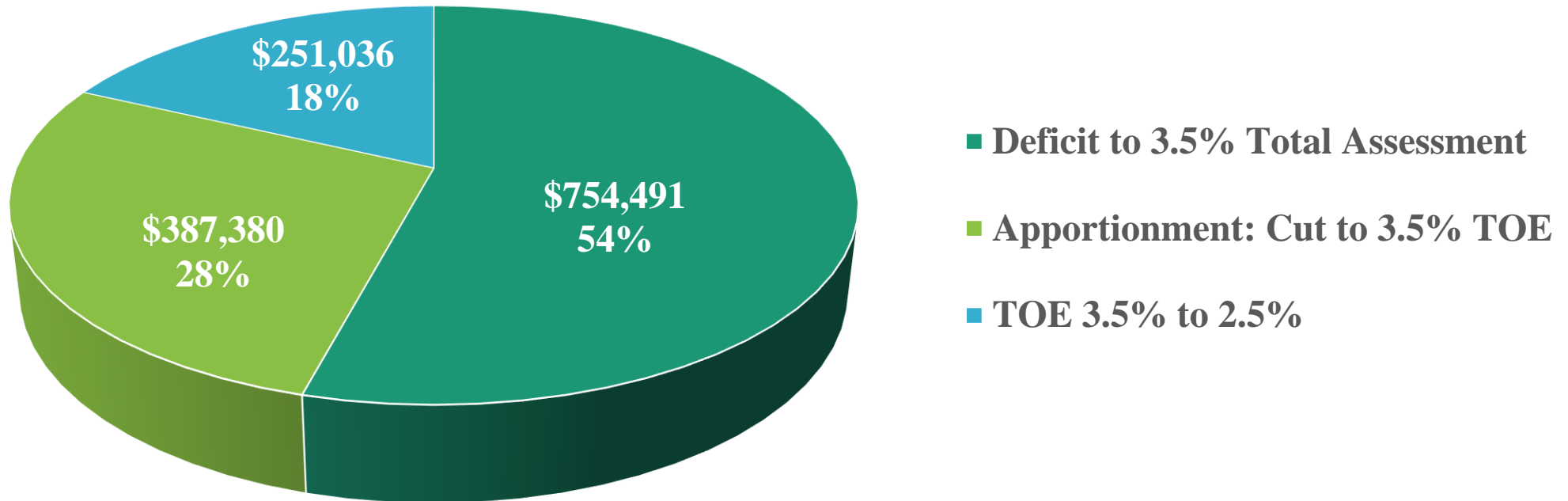
FY19-24 Teaching Assistant FTE Reduction Total ***5.8***

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Composition of \$1.4M Initial FY25 Deficit



~District share of gap grows while town/apportionment stays the same.

Next Steps June



June 6th - SC Meets to deliberate and adopt a reconsidered budget



June 7th - MERSD submits reconsidered budget to towns



End of June – Manchester & Essex Individual Town Meetings

~Essex Town Meeting – June 26th

~Manchester Town Meeting – June 28th