

FY17 Draft Budget Presentation

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**PRESENTATION TO THE MONOMOY REGIONAL
SCHOOL COMMITTEE
AND
TOWN SELECT BOARDS**

**SCOTT CARPENTER, SUPERINTENDENT
KATIE ISERNIO, BUSINESS MANAGER**

JANUARY 27, 2016

**HARWICH BOARD OF SELECTMEN 2/1/2016
CHATHAM BOARD OF SELECTMEN 2/2/2016**



RECAP

Monomoy Regional Budget Projection from 5-Year Plan

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Excerpt from table presented to Selectmen Fall 2015	FY15 Budget	FY16 Budget	FY17 Projected	
OPERATING COSTS ALL SOURCES	\$33,285,614	\$34,231,491	\$35,828,824	
<i>projected annual % increase</i>			4.7%	← Now 3.8%
OFFSETS				
School Choice Used	-\$2,557,722	-\$1,507,000	-\$1,507,000	
Circuit Breaker Used	-\$480,691	-\$435,000	-\$435,000	
Operating Costs to be Assessed after Offsets	\$30,247,201	\$32,289,491	\$33,886,824	
<i>projected annual % increase</i>			4.9%	
CAPITAL				
	\$71,312	\$250,000	\$415,100	
DEBT				
	\$779,476	\$2,473,481	\$2,409,471	
Basis of Assessment in September 2015 Projection	\$31,097,989	\$35,012,972	\$36,711,395	
<i>projected annual % increase</i>			4.9%	
	Less E&D Used	\$600,000	\$131,821	
Assessment Projection September 2015		\$34,412,972	\$36,579,574	← No w \$36,354,036

What was a projected 4.9% increase in the FY17 general fund budget is now only a 3.8% in this proposed draft of the FY17 Budget. A budget increase is not an assessment increase.

Leading with the “Punch line”: Budget vs. Assessment

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FY17 Draft Budget

Total General Fund budget
increase 3.8%

The FY17 Draft Budget reflects an increase of 3.8%. Assessments may be larger or smaller than a budget increase/decrease depending on a number of factors, including how much Excess and Deficiency (E+D) is used to offset a budget in any fiscal year. The Draft FY17 Assessment to the two Towns has an overall increase of 5.29%.

FY17 Draft Assessments

Overall assessment increase
5.29%

Harwich \$24,058,302 total
assessment*, a 5.32%
increase

Chatham \$8,634,816 total
assessment*, a 5.20%
increase

*These total assessments include debt. Without debt the overall Assessment increase is 5.99%.

Monomoy's Budgetary Priorities and Guidelines

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- **Continue to deliver:**
 - Improve curricula,
 - Maintain and expand learning opportunities for children, and
 - Do so in a collaborative, cost-conscious, manner for our towns
- **Maintain School Committee Class Size Guideline**
 - 19±2 students per class at the middle & high school level
 - 18±1 at the elementary level
- **Address staffing and programmatic needs, including adding physics, business courses, and academic support to the high school, and return art and music to full-year programs at CES, while maintaining programs and continuing to improve curriculum at all grade levels.**

FY17 Budget Assumptions

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- Level Funding Chapter 70 and Regional Transportation
 - Note: At the time of developing this presentation these were not released, although these numbers are expected later today (January 27)
- Funding OPEB at \$100,000 and not the 1% of payroll (\$197,000) as desired
- Level staffing, however if Grade 6 enrollment at Monomoy Regional Middle School increases a need will exist for one additional teacher
- 12% increase in Health Insurance for active employees

Enrollment

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Projected FY17 Enrollment by school

	FY16	FY17 Projection	Projected Change
Chatham Elementary	283	277	-6
Harwich Elementary	594	576	-18
Monomoy Regional Middle	446	469	+23
Monomoy Regional High	631	649	+18

3-Year Foundation Enrollment by Town

	FY14	FY15	FY16	FY17 Calculation (%)	
Chatham	488	480	499	1467	26.32%
Harwich	1,348	1,383	1,375	4,106	73.68%
	1,836	1,863	1,874	5,573	

Foundation enrollments differ from school enrollments

FY17 Draft Budget Summary

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General Fund Expenditure Budget	G/L Budget Draft FY17	G/L Budget FY16	G/L FY15 Actuals	G/L FY14 Actuals	G/L FY13 Actuals
Salaries & Wages	\$19,367,480	\$18,213,310	\$17,621,048	\$18,367,206	\$18,207,038
Expenses	\$5,328,673	\$5,317,562	\$4,320,204	\$4,166,842	\$4,172,874
Fixed Charges					
Employee Benefits	\$4,245,502	\$3,861,762	\$4,066,834	\$3,509,955	\$3,602,954
Retirement Contributions	\$1,246,980	\$1,191,902	\$1,232,719	\$809,835	\$897,775
Other Insurances	\$695,014	\$674,459	\$565,041	\$426,392	\$383,451
Capital and Debt Retirement & Service	\$2,716,471	\$2,723,481	\$854,287	\$330,634	\$293,207
Programs With Other School Districts					
School Choice and Charter School Tuitions	\$2,074,152	\$2,074,152	\$2,104,881	\$2,059,233	\$1,780,627
Special Education Tuitions	\$679,764	\$956,344	\$456,770	\$644,611	\$863,868
	\$36,354,036	\$35,012,972	\$31,221,784	\$30,314,708	\$30,201,794

Percent of General Fund Budget

Salaries & Wages	53.27%	52.02%	56.44%	60.59%	60.28%
Expenses	14.66%	15.19%	13.84%	13.75%	13.82%
Fixed Charges	17.02%	16.36%	18.78%	15.66%	16.17%
Capital and Debt Retirement & Service	7.47%	7.78%	2.74%	1.09%	0.97%
Programs With Other School Districts					
School Choice and Charter School Tuitions	5.71%	5.92%	6.74%	6.79%	5.90%
Special Education Tuitions	<u>1.87%</u>	<u>2.73%</u>	<u>1.46%</u>	<u>2.13%</u>	<u>2.86%</u>
	100.00%	100.00%	100.00%	100.00%	100.00%

FY17 Draft Budget By Cost Center

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General Fund Expenditure Budget By Cost Center		G/L Budget Draft FY17	G/L Budget FY16	G/L FY15 Actuals	G/L FY14 Actuals	G/L FY13 Actuals
1000	District Leadership & Administration Salaries & Wages	\$866,537	\$805,351	\$853,512	\$784,061	\$869,734
1000	District Leadership & Administration Expenses	\$450,780	\$409,640	\$409,021	\$336,019	\$356,515
2000	Instruction Salaries & Wages	\$16,598,163	\$15,610,968	\$15,046,779	\$15,825,416	\$15,540,774
2000	Instruction Expenses	\$1,055,356	\$1,103,450	\$884,357	\$772,188	\$934,715
3000	Other School Services Salaries & Wages	\$798,503	\$721,808	\$648,333	\$689,621	\$681,117
3000	Other School Services Expenses	\$1,770,543	\$1,813,397	\$1,525,209	\$1,445,880	\$1,369,492
4000	Operations & Maintenance Salaries & Wages					
	Physical Plant and Operations Wages	\$997,098	\$966,584	\$957,030	\$921,030	\$969,152
	Technology Wages	\$107,179	\$108,599	\$115,394	\$147,078	\$146,261
4000	Operations & Maintenance Expenses					
	Physical Plant and Operations Expenses	\$1,805,556	\$1,752,677	\$1,274,807	\$1,431,303	\$1,361,513
	Technology Expenses	\$246,438	\$238,398	\$226,810	\$181,452	\$150,639
5000	Fixed Charges					
	Employee Benefits	\$4,245,502	\$3,861,762	\$4,066,834	\$3,509,955	\$3,602,954
	Retirement Contributions	\$1,246,980	\$1,191,902	\$1,232,719	\$809,835	\$897,775
	Other Insurances	\$695,014	\$674,459	\$565,041	\$426,392	\$383,451
7000	Capital	\$305,000	\$250,000	\$49,864	\$24,722	\$28,473
8000	Debt Retirement & Service	\$2,411,471	\$2,473,481	\$804,423	\$305,912	\$264,734
9000	Programs With Other School Districts					
	School Choice and Charter School Tuitions	\$2,074,152	\$2,074,152	\$2,104,881	\$2,059,233	\$1,780,627
	Special Education Tuitions	\$679,764	\$956,344	\$456,770	\$644,611	\$863,868
	Total General Fund	\$36,354,036	\$35,012,972	\$31,221,784	\$30,314,708	\$30,201,794
	% Increase	3.8%				

Changes from FY16 Budget to FY17 Draft Budget

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Δ in Budget from FY16 to FY17	G/L Budget Draft FY17
Salaries & Wages (Contractual Obligations, 2 ½ % COLA plus Steps)	\$1,154,170
Expenses	\$11,111
Fixed Charges	
Employee Benefits	\$383,740
Retirement Contributions	\$55,078
Other Insurances	\$20,555
Capital and Debt Retirement & Service	-\$7,010
Programs With Other School Districts	
School Choice and Charter School Tuitions	\$0
Special Education Tuitions	-\$276,580
	\$1,341,064

OPEB - The goal for the district is to deposit 1% of the overall payroll for approximately \$197,000 annually into our OPEB account. The FY17 budget reflects depositing only \$100,000 into our OPEB account.

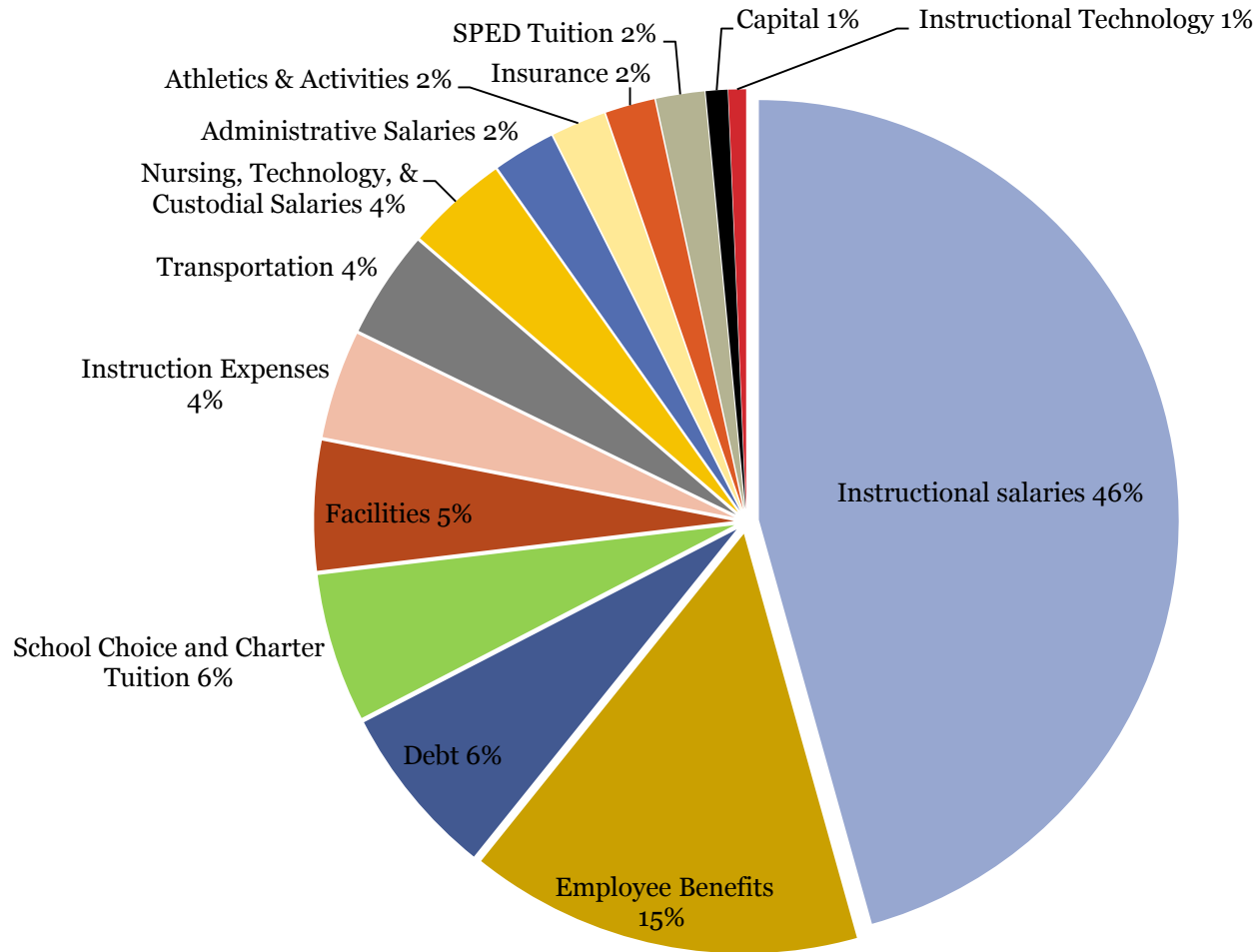
How is school funding used in the FY17 Draft Budget?

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		%
Administrative salaries	\$866,537	2.4%
Instructional salaries	\$16,598,163	45.7%
Nursing, technology, and custodial salaries	\$1,414,548	3.9%
Employee Benefits	\$5,492,482	15.1%
Athletics & Activities	\$766,813	2.1%
Instructional and administrative expenses	\$1,506,136	4.1%
Instructional Technology	\$246,438	0.7%
Transportation	\$1,491,962	4.1%
Facilities	\$1,805,556	5.0%
Capital	\$305,000	0.8%
Other insurance	\$695,014	1.9%
Debt	\$2,411,471	6.6%
School Choice & Charter tuition	\$2,074,152	5.7%
SPED tuition	\$679,764	1.9%
	\$36,354,036	

How is school funding used in the FY17 Draft Budget?

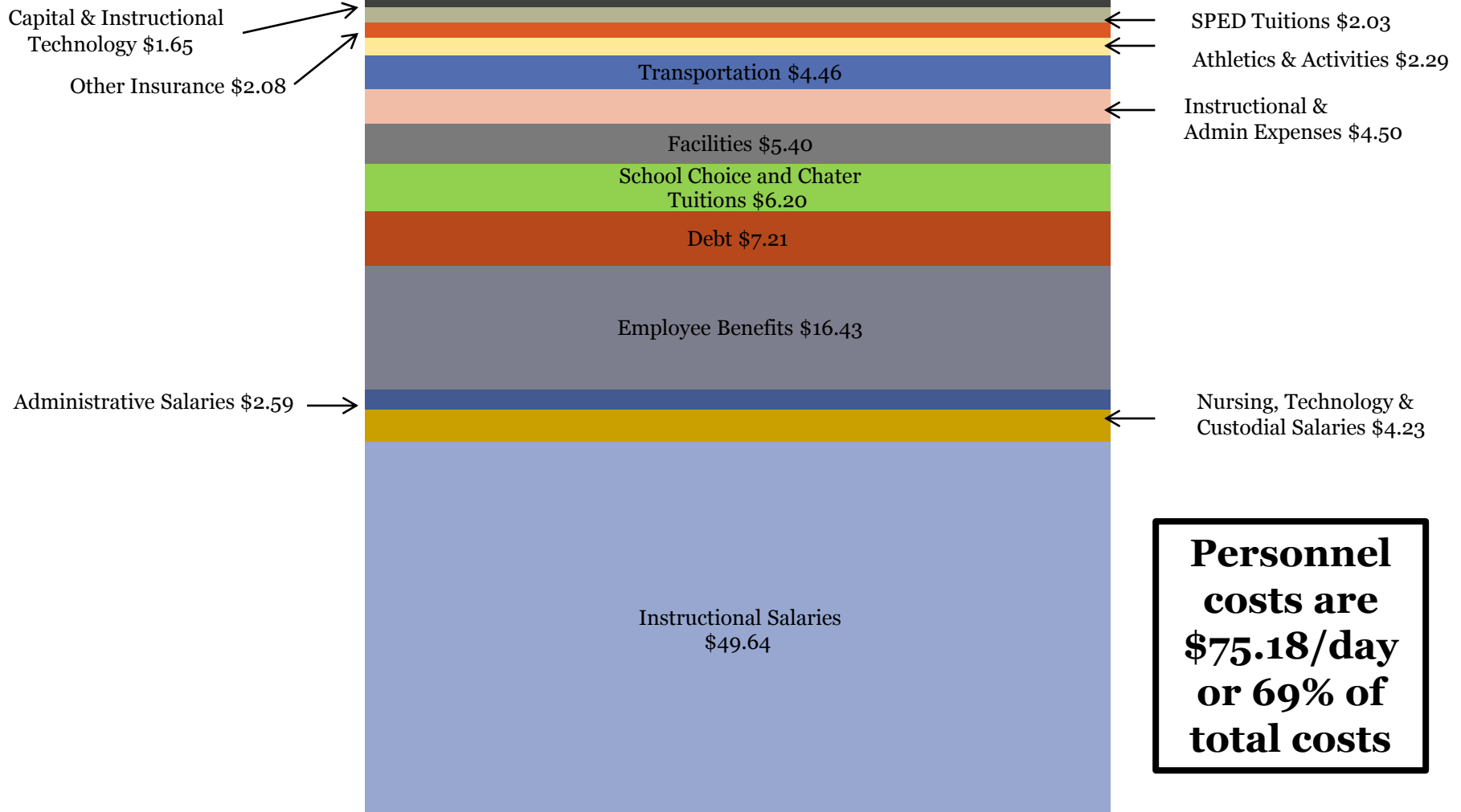
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\$108.72

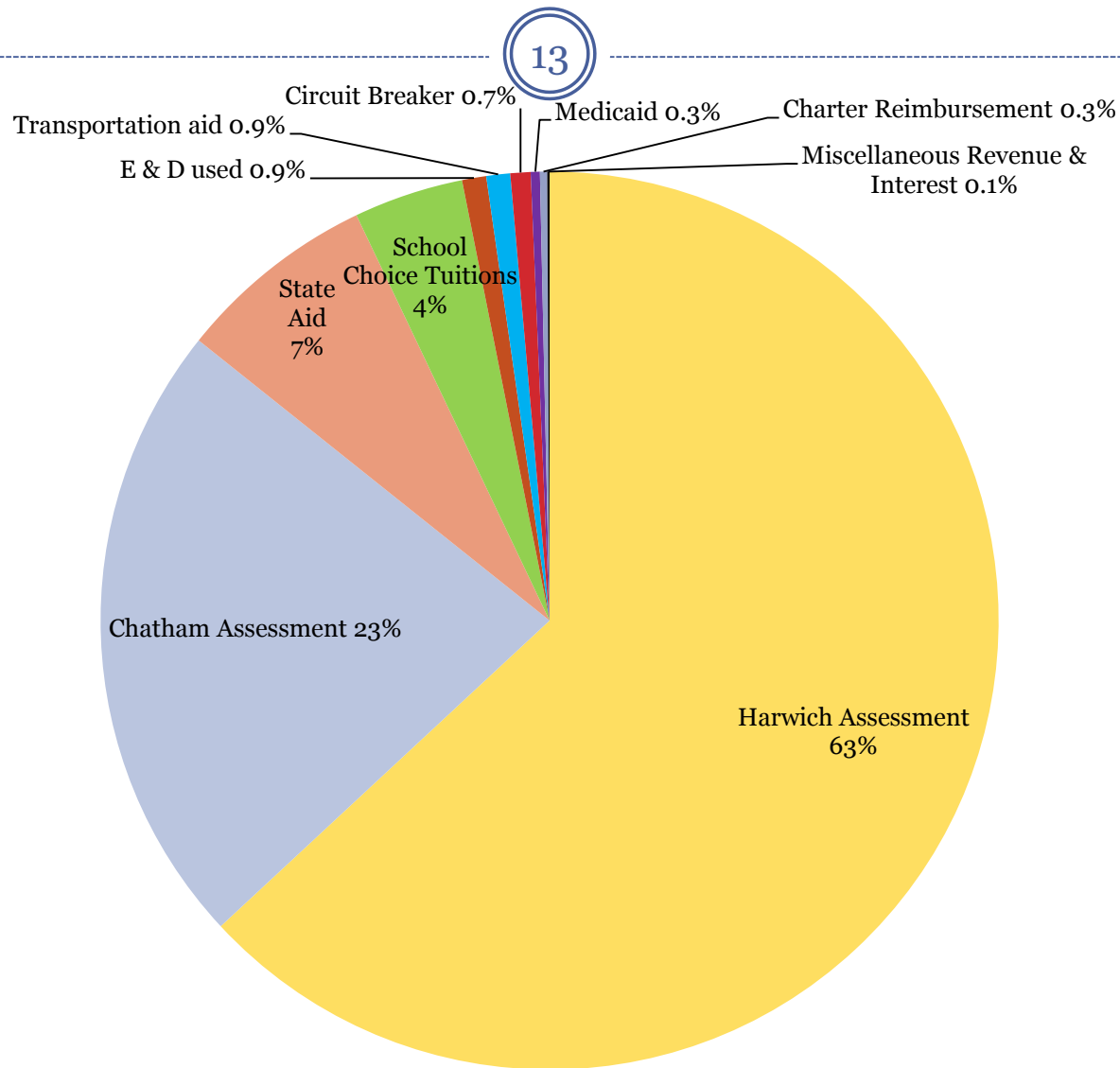
FY17 Daily Cost to Educate a Monomoy Student

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Calculated by dividing the FY17 General Fund Budget by 180 school days.

How is the FY17 Draft Budget Funded?



The assessments to each town are based on a 3-year rolling average of Foundation Enrollment.

Staffing Comparisons

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FTEs	FY17	FY16	FY15
School Building Administration	8.0	8.0	8.0
Unit A - Teachers	190.4	191.8	196.0
Unit A - Nurses	4.5	4.5	4.5
Unit B - Teaching Assistants	68.4	67.5	67.7
Unit B - Secretarial	12.0	12.0	12.0
Custodians/ Facility Director	20.0	20.0	19.5
Food Services/ Food Service Director	12.0	12.0	13.0
Technology	4.0	4.0	4.0
Program Managers	3.0	3.0	4.7
District Administration	6.0	6.0	6.0
District Administrative Support	7.0	8.0	8.0
Districtwide Positions	<u>4.4</u>	<u>3.0</u>	<u>3.0</u>
	*339.7	339.8	346.4

*While the FY17 Draft Budget is level staffed, there may be a need to add 1 FTE at Grade 6, depending upon the retention of 5th Graders (which would take projected class sizes beyond MRSC guidelines).

Moving from the Budget to Assessment

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Factors Driving Assessment

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In FY16 \$600,000 of E&D was used to offset the budget. In FY17 \$331,821 is proposed which is \$200,000 more than was proposed in our 5 year plan.

Projected FY17 Revenues are reduced by \$100,000 due to a tuition arrangement never reaching fruition.

Excess and Deficiency (E+D) Summary

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FY 13 Balance **\$514,648**

Change: In FY14, \$886,982 was added to the FY 14 E+D balance due largely to supplemental charter school reimbursement that came in at the end of the fiscal year

FY14 Balance **\$1,401,630**

Change: In FY15, \$600,00 of E+D was used to support the FY 16 budget. \$165,985 was added to the FY 15 E+D balance

FY15 Balance **\$967,615**

Proposed Change: In FY16, \$331,821 of E+D is proposed to support the FY 17 budget. Additional funds may be certified into the FY16 E+D balance in June 2016, which could offset FY18 budget and/or grow the district's E+D account.

**Draft
FY17 Revenue
Projections
and use of E+D
for FY17
Assessment**

**FY17 Draft
Budget
\$36,354,036**

TOTAL Draft FY17 Projected Revenues	
Chapter 70 (based on FY16)	\$2,745,776
Charter School	\$99,735
Medicaid	\$125,000
Interest	\$7,500
Miscellaneous	\$24,000
Excess & Deficiency (E+D)	<u>\$331,821</u>
	\$3,333,832
Total FY17 Draft General Fund Budget	\$36,354,036
Projected FY17 Revenues	-\$3,333,832
Non Operating Expenditures	
Transportation	-\$875,992
Capital	-\$305,000
Debt	<u>-\$2,411,471</u>
	-\$3,592,463
Amount to Be Assessed for Operations	\$29,427,741

DRAFT FY17 ASSESSMENT	Harwich	Chatham	Total
Required Minimum Contribution per DESE	\$11,544,399	\$4,175,621	\$15,720,020
	Harwich	Chatham	
	73.68%	26.32%	
Funds Needed to Support District Operating Budget	\$10,099,849	\$3,607,872	\$13,707,721
Operating Assessment Per Member*	\$21,644,248	\$7,783,493	\$29,427,741
	Harwich	Chatham	\$875,992
	75.16%	24.84%	
Less State Transportation Aid			\$327,086
Transportation Assessment Per Member <i>(3-year avg. of attending students)</i>	\$412,558	\$136,348	\$548,906
	Harwich	Chatham	
	73.68%	26.32%	
Debt Assessment Per Member*	\$1,776,772	\$634,699	\$2,411,471
	Harwich	Chatham	
	73.68%	26.32%	
Capital Assessment Per Member*	\$224,724	\$80,276	\$305,000
* 3-year rolling average			

Total Operating Assessment \$29,427,741

Draft FY17 Assessments

TOTAL Draft FY17 ASSESSMENT	Harwich	Chatham	Total
Operating	\$21,644,248	\$7,783,493	\$29,427,741
Transportation	\$412,558	\$136,348	\$548,906
Capital	\$224,724	\$80,276	\$305,000
	\$22,281,530	\$8,000,117	\$30,281,647
Debt	\$1,776,772	\$634,699	\$2,411,471
TOTAL FY17	\$24,058,302	\$8,634,816	\$32,693,118
FY16 Assessment			
Operating Budget	\$20,431,169	\$7,353,999	\$27,785,168
Transportation	\$406,931	\$136,296	\$543,227
Capital	\$184,125.00	\$65.875	\$250,000
	\$21,022,225	\$7,556,170	\$28,578,395
Debt	\$1,821,719	\$651,762	\$2,473,481
TOTAL FY16	\$22,843,944	\$8,207,932	\$31,051,876
Change in Assessment	Harwich	Chatham	
Operating Budget	\$1,213,079	\$429,494	\$1,642,573
Transportation	\$5,626	\$53	\$5,679
Capital	\$40,599	\$14,401	\$55,000
	\$1,259,304	\$443,948	\$1,703,252
Debt Decrease	-\$44,947	-\$17,063	-\$62,010
TOTAL Δ	\$1,214,357	\$426,885	\$1,641,242
% Increase with Debt	5.32%	5.20%	5.29%
% Increase without Debt	5.99%	5.88%	5.96%