




FY20 Budget Process Overview

Reading School Committee

December 20, 2018

Agenda

- Update on Override
- Review of School Budget Structure
- FY20 Budget Process
- Communication
- Calendar of Events
- Questions



Update on Override

School Committee Presentation

Update on Override

School Department Override Items	Wage	Expense	Total
Retain 7.0 FTE Middle School Teachers - retains middle school model	\$ 500,000	\$ -	\$ 500,000
Restore 5.0 FTE High School Teachers	\$ 350,000	\$ -	\$ 350,000
Retain 3.0 FTE Elementary Teachers - retains class sizes (mid-20's)	\$ 241,000	\$ -	\$ 241,000
Retain 1.0 FTE Regular Education Tutor (retain elementary tutor hours)	\$ 20,000	\$ -	\$ 20,000
Salary Adjustments (retaining and attracting staff)	\$ 360,000	\$ -	\$ 360,000
Curriculum Updates and Renewals	\$ -	\$ 150,000	\$ 150,000
Teacher Training for Science, ELA, Math (K-8)	\$ -	\$ 75,000	\$ 75,000
Add 1.0 FTE K-6 Math/Science Curriculum Coordinator	\$ 95,000	\$ -	\$ 95,000
Add 1.0 FTE K-6 ELA/Social Studies Curriculum Coordinator	\$ 95,000	\$ -	\$ 95,000
Restore 1.0 FTE Computer Technician	\$ 57,000	\$ -	\$ 57,000
Classroom Computer Replacement	\$ -	\$ 50,000	\$ 50,000
Add 0.5 FTE Special Education Team Chair	\$ 49,250	\$ -	\$ 49,250
Restructure 0.5 FTE RISE Preschool Director/Assistant Director for Special Education	\$ 70,000	\$ -	\$ 70,000
Restore Athletics Schedule - restore 2 non-league games and Elementary Chorus	\$ -	\$ 25,000	\$ 25,000
	\$ 1,837,250	\$ 300,000	\$ 2,137,250

Update on Override - continued

- Teaching Positions - 16.0 FTE's
 - 7 Middle School positions retained
 - 5 High School Positions – 0.8 FTE RMHS remains open
 - 3 Elementary positions retained
 - 1.0 Tutor hours retained
- Other Staff Adds – 4.0 FTE's
 - 2.0 Curriculum Coordinators – override positions filled utilizing a combination of funding for position and salary adjustment allocation
 - 1.0 Computer Technician – position filled within override approved funding
 - 1.0 combined Special Education Team Chair/Assistant Director – position filled within approved override funding
- Salary Adjustments to Attract and Retain Staff
 - All contracts have been ratified – override funding allowed for higher COLA's for teachers and secretaries, additional stipends and tuition reimbursement for teachers and allowed for hiring of non-represented employees at competitive market rates

Update on Override - continued

- Expenses
 - Curriculum updates and renewals – spending focused on RMHS science as well as science materials at the elementary schools
 - Teacher training – several professional development programs have been completed with additional scheduled throughout the year. (AMC Math, Health PD, Literacy, Differentiated Instruction)
 - Classroom computer replacement – purchase of computer carts for RMHS Science Department completed, working with technology department to obtain pricing and prioritize needs for remainder of spending
- Restore Athletics Schedule and Elementary Chorus
 - Maintained athletics schedule
 - Elementary chorus positions are stipend positions within RTA contract – to date we not received any applications and as such the positions have not been filled



Review of School Budget Structure

School Committee Presentation

Types of Funds

- Operating Budget
 - Funds salaries, materials, supplies, and services needed to operate the school district
 - Revenue sources include property taxes, state aid, excise tax, fees, sale of land
 - Property Taxes can only increase 2.5% per year plus any new growth unless community decides on a Proposition 2 ½ override
 - Any unspent/unencumbered funds at the end of the fiscal year are returned to the Town's General Fund
- Capital
 - Targeted at 5% of the operating budget
 - Funds capital improvement projects (i.e. roof replacement, Turf replacement, feasibility studies) or capital purchases (i.e. fire truck) and also supports the Town's Security Study initiative
 - Cannot use capital funds to support operating budget
- Grants and Revolving Accounts
 - Funds raised by user fees, tuitions, ticket sales, or receiving grants
 - Must be used for specific purposes (i.e. Full Day Kindergarten)

Budget Fundamentals

School budget is comprised of five “Cost Centers”

- Administration
- Regular Day
- Special Education
- District-wide Programs
 - Athletics
 - Extracurricular
 - Health Services
 - Networking and Technology Infrastructure & Maintenance
- School Custodians

Annual School Budget is approved by School Committee at the Cost Center level. Funds cannot be transferred between cost centers without School Committee approval.

Town Meeting approves “bottom line” budget for the Schools.



Administration

Smallest Cost Center

Comprised of:

- Central Office Administrators and Administrative Assistants
- Legal and Auditing
- Employee Recruiting and Hiring
- Data and Information Management
- District Telecommunication Services
- Annuity Matching Contributions
- Miscellaneous Supplies & Expenses

Regular Day

Largest Cost Center

Comprised of:

- Building Administrators and Secretaries
- Regular Education Teachers , Tutors, and Paraprofessionals
- School Psychologists and Guidance Counselors
- ELL and Instructional Specialists
- Teacher Mentor and Leadership Stipends
- Curriculum Materials
- Professional Development
- Substitute Teachers and Paraprofessionals
- Mandatory Student Transportation (> 2 miles for K-6)
- Instructional Materials and Supplies
- Instructional Technology and Equipment
- Library Materials and Technology
- Testing and Assessment Software and Materials

Special Education

Comprised of:

- Special Education Administrators and Secretaries
- Special Education Teachers and Paraprofessionals
- Therapeutic Specialists (OT, PT, SLP)
- Extended School Year Program Staff and Expenses
- Legal Services
- Home and Hospital Tutoring
- Consultative and Evaluative Services
- Adaptive Equipment and Technology
- Testing and Assessment Software, Materials, and Services
- Instructional Materials and Supplies
- Special Education Transportation
- Out-of-District Tuition

District Wide Programs

Comprised of 4 Departments:

Athletics

- H.S. Assistant Principal (0.5 FTE), Secretary, and Coaches
- Officials, Event Detail and Crowd Monitors
- Equipment and Maintenance of Equipment
- Facility Rentals (Pool, Ice Arena)
- Transportation
- Supplies

Extracurricular

- Assistant Principal (0.25 FTE) and Advisor Stipends
- Fees, Memberships, Royalties and Transportation
- Supplies & Equipment

District Wide Programs (cont.)

Health Services

- Director of Nursing and School Nurses
- School Physician
- Medical Supplies and Equipment

Networking & Technology Infrastructure/Maintenance

- Network Manager and Technology Support
- Computer Technicians
- Internet Service
- Software and Licensing
- Clocks and bells (program and maintaining) throughout district
- Network, Infrastructure, and Telecommunications Repair and Maintenance
- Network, Infrastructure, and Telecommunication Supplies and Equipment

School Custodians

Comprised of:

- Custodial Manager
- Rentals Coordinator
- Custodial Staff
- Custodial Equipment and Supplies
- Radios for district
- Cleaning Services Contract (RMHS, Coolidge)*

**3 year contract expires at the end of the current year*

Items Not In the Budget?

(Funded by Grants, Donations, User Fees, Other Fees)

- Field Trip Expenses
- Additional Technology Hardware
- Food Services
- Non-Mandatory Student Transportation
- Before and After School Programs
- Enrichment Programs
- Students' Supplies
- Additional coaches for athletics
- Additional advisors for drama, band, and other activities
- Additional tutor support
- Research and Development
- A Portion of Athletics, Extracurricular, Pre-School, and Full Day Kindergarten

Grants/Reimbursements We Currently Receive

- State Grants
 - Racial Imbalance (Metco)
- State Reimbursements
 - Special Education Circuit Breaker
- Federal Grants (Entitlement Grants)
 - Title 1
 - Title 2A
 - Title IV
 - IDEA
 - Early Childhood Education
- Federal Grants (Competitive)
 - School Climate Transformation Grant (final year of 5 year grant)

Change in State and Federal Grant Funding (FY18 to FY19)

Grant	2018 Grant Funding	2019 Grant Funding	Change in Funding	
Circuit Breaker	\$ 943,850	\$ 1,022,809	\$ 78,959	
Racial Imbalance - METCO	\$ 403,630	\$ 423,214	\$ 19,584	
Special Education - IDEA	\$ 1,019,673	\$ 1,022,340	\$ 2,667	
Early Childhood Education Entitlement Grant	\$ 16,994	\$ 17,966	\$ 972	
Special Education Program Improvement Grant	\$ 16,107	\$ -	\$ (16,107)	Funding uncertain
Special Education Early Childhood Program Improvement	\$ 3,000	\$ 7,000	\$ 4,000	
Title I	\$ 92,676	\$ 99,531	\$ 6,855	
Title IIA	\$ 54,654	\$ 60,847	\$ 6,193	
Title IVA - Student Support and Academic Enrichment Grant	\$ 2,766	\$ 6,662	\$ 3,896	
School Climate Transformation Grant	\$ 250,000	\$ 250,000	\$ -	Final year of grant *
Total Grant Funding	\$ 2,803,350	\$ 2,910,369	\$ 107,019	

* Additional \$70,000 included in the FY20 budget as an accommodated cost to cover staffing currently on the grant



FY20 Budget Process

School Committee Presentation

FY20 Municipal Budget Process

- Town Manager establishes available revenues (October)
- Town Manager, with School input, estimates projected Accommodated Costs (October)
- Operating Budgets for Town and Schools determined
 - Subtract Accommodated Costs and Town Priorities from available revenues to determine Operating Budget
 - Net Available Revenues are apportioned based on historical share of expenses
 - Town priorities include funding for RCASA and School Climate Transformation Grants which both end during the FY'20 year
 - School share of operating expenses for FY'20 allocated at approximately 64%

Municipal Revenue Projection

Based on information presented at the October 10, 2018 Financial Forum – information subject to change during budget process

		%		%		%
	Projected	Changes	Projected	Changes	Projected	Changes
	<u>FY19</u>	<u>FY19</u>	<u>FY20</u>	<u>FY20</u>	<u>FY21</u>	<u>FY21</u>
Total Property Taxes	73,049,683	9.8%	75,410,518	3.2%	77,868,919	3.3%
Total Other Local Revenues	7,480,000	6.4%	7,825,000	4.6%	8,072,500	3.2%
Total Intergov't Revenues	14,342,893	1.7%	14,701,465	2.5%	15,069,002	2.5%
Total Transfers & Available	4,040,696	2.2%	4,111,440	1.8%	4,179,969	1.7%
Revs before Free Cash	98,913,271	7.98%	102,048,423	3.17%	105,190,390	3.08%
Free Cash	1,200,000	0.0%	1,000,000	-16.7%	1,000,000	0.0%
Net Available Revenues	100,113,271	7.87%	103,048,423	2.93%	106,190,390	3.05%

- FY19 Property Taxes reflects Proposition 2 ½ Override , FY20 and FY21 include \$650,000 and \$700,000 new growth, respectively
- FY19 Other Local Revenue recognizes Excise Tax with slight increase attributed to more people and slight increase in Interest Earned
- Intergov't Revenues assumes a 2.5% increase

As with Health Care Premiums, FinCom has voted to fund any shortfall from Free Cash

Municipal Accommodated Costs

Based on information presented at the October 10, 2018 Financial Forum – information subject to change during budget process

	Projected FY19	% Change	Projected FY20	% Change	Projected FY21	% Change
Benefits	18,187,700	10.3%	18,449,050	1.4%	19,232,182	4.2%
Capital	3,276,100	45.0%	2,949,500	-10.0%	1,975,000	-33.0%
Debt (inside levy)	1,526,876	-19.0%	2,041,453	33.7%	3,145,715	54.1%
Debt (excluded)	2,944,282	-1.3%	2,902,482	-1.4%	2,848,182	-1.9%
Energy	2,016,575	1.3%	2,094,800	3.9%	2,175,809	3.9%
Financial	852,250	1.5%	950,600	6.3%	935,130	3.3%
Education - Out of district	4,520,834	12.1%	4,746,875	5.0%	4,984,219	5.0%
Education - Vocational	435,000	12.7%	452,400	4.0%	470,496	4.0%
Miscellaneous	3,278,313	3.0%	3,382,160	3.2%	3,484,645	3.0%
Community Priorities	0	0.0%	220,000	0.0%	0	0.0%
Accommodated Costs	37,037,930	8.8%	38,144,321	2.99%	39,251,378	2.9%

Projected FY20-21 Accommodated Costs

Community Priorities:

FY20 Accommodated Costs includes 2 Community Priorities for multi-year grants ending in FY20 to ensure continuity of staffing:

- RCASA - \$150,000 (Police Department)
- School Climate Transformation Grant - \$70,000 (School Department)

Budget Summary

Based on information presented at the October 10, 2018 Financial Forum

	<u>Projected</u> FY19	<u>% Change</u>	<u>Projected</u> FY20	<u>% Change</u>	<u>Projected</u> FY21	<u>%</u> <u>Change</u>
Total Avail. Revenues	100,113,271	7.87%	103,048,423	2.93%	106,190,390	3.05%
Total Accom. Costs	37,037,930	8.75%	38,144,321	2.99%	39,251,378	2.90%
Total Operating Budgets	62,850,181	8.33%	64,892,812	3.25%	66,929,810	3.14%

	<u>Projected</u> FY19	<u>% Change</u>	<u>Projected</u> FY20	<u>% Change</u>	<u>Projected</u> FY21	<u>%</u> <u>Change</u>
School Budget:						
Operating Budget	40,339,441	7.95%	41,650,473	3.25%	42,886,686	2.97%
Accommodated Costs	4,520,834	12.08%	4,816,875	6.55%	4,984,219	3.47%
	44,860,275	8.35%	46,467,348	3.58%	47,870,905	3.02%

	<u>Projected</u> FY19	<u>Projected</u> FY20	<u>Projected</u> FY21
Operating Budget Allocation			
Town Operating	35.8%	35.8%	35.9%
School Operating	64.2%	64.2%	64.1%

District Priorities for FY20

- New District Improvement Plan (Possible areas of focus)
 - Focus on equity and access for all students
 - School Safety (Physical and Psychological)
 - Closing the achievement gap
 - Social Emotional Learning
- Class sizes in K-2 (18-22 students)
- Middle school interdisciplinary model

Projected Budget Drivers for FY20 Budget

- Funding of all contractual step and COLA increases for represented (based upon successful negotiation of all contracts for 3-year period) and non-represented employees
- Increase in special education tuition and transportation expenses due to increased rates, increased number of placements, and types of placements
- Curriculum Updates in Social Studies to align with new Massachusetts Curriculum Frameworks
- Increase in athletic and regular day mandatory transportation per transportation contract
- Anticipated increase in contractual cleaning services for RMHS (contract is in final year of 3-year agreement)
- Renewal of software programs and maintenance programs based on three year renewal cycle and completion of capital projects



Communication

School Committee Presentation

Communication of FY20 Budget Process

- Budget Liaisons
- Budget Bulletins as part of weekly Journey newsletters
- School Committee meetings

Budget materials will be available on the District Web Page

- Budget book
- Budget presentations



Calendar of Events

School Committee Presentation

FY20 Calendar

October 10

Financial Forum

Dec 4, 5, 11 & 12

Board of Selectmen Budget Meetings

December 20

School Committee Presentation: Budget Process Overview

January 7

School Committee Presentation: Administration, District Wide, School Facilities and Capital

January 17

School Committee Presentation: Regular Day, Special Education

January 24

School Committee Presentation: Public Hearing and Questions

January 28

School Committee Presentation: Final Vote

January 31

School Committee Budget to Town Manager

February 27

FINCOM: School budget

March 13

FINCOM: Vote Budgets & Articles



Questions

School Committee Presentation