

FY16 Budget Proposal

March 23, 2015



Clinton Public Schools

Foundation Budget – Chapter 70 Formula

- In Massachusetts, the definition of an adequate spending level for a school district, given the specific grades, programs, and demographic characteristic of its students is called its **“Foundation Budget.”**
- The goal of the **“Chapter 70 Formula”** is to ensure that every district has sufficient resources to meet its foundation budget spending level, through an equitable combination of local property taxes and state aid.
- The Chapter 70 Formula determines an equitable **“Local Contribution”** – how much of the Foundation Budget should be paid by the town’s property tax, based upon the relative wealth of the community.
- The remainder is funded by **“Chapter 70 State Aid”**.

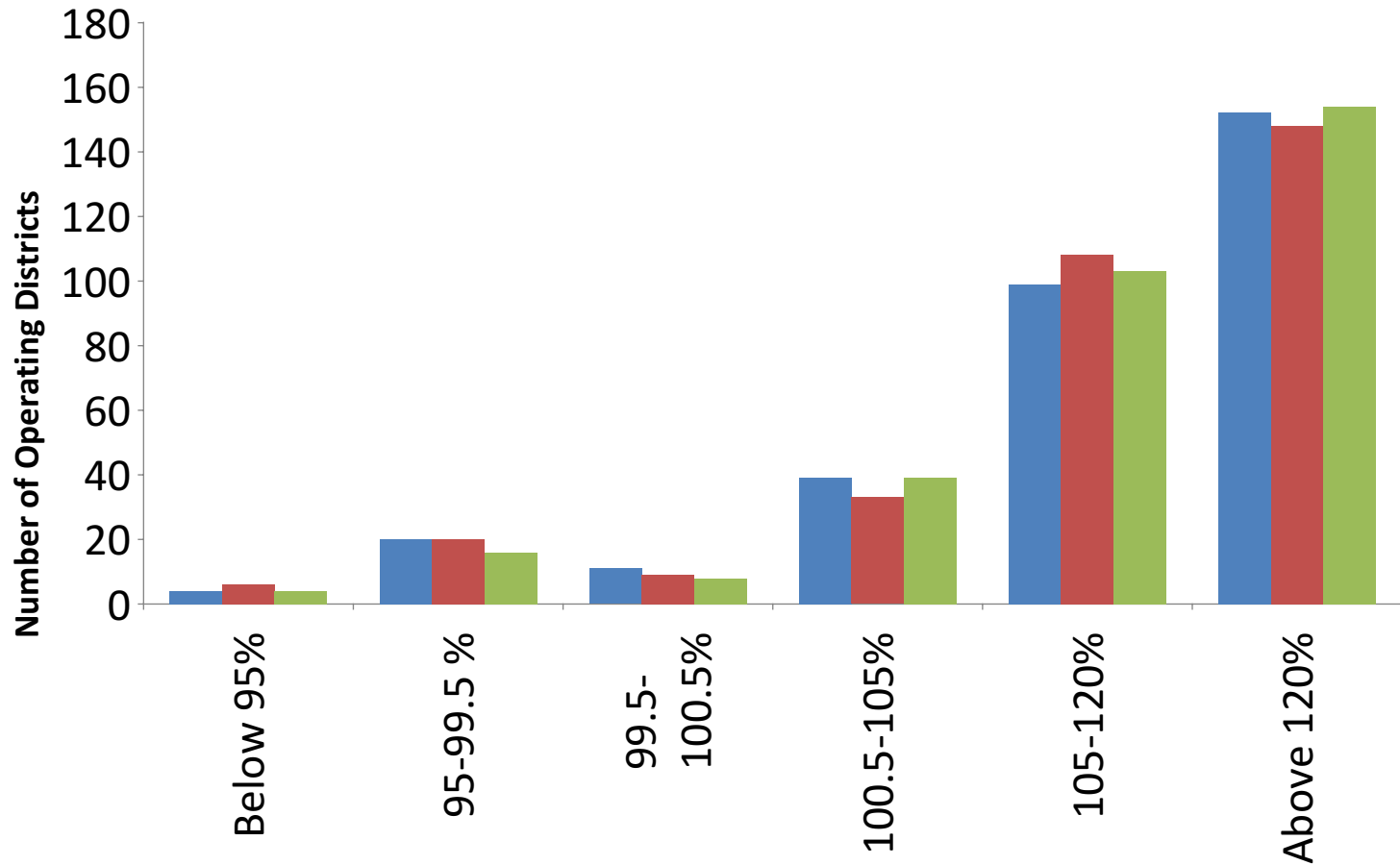


Net School Spending Requirement

- The Commonwealth's school finance statute, Chapter 70 of the General Laws, establishes an annual “net school spending” requirement for each Massachusetts' school district. Failure to comply with this requirement may result in non-approval of a municipality's tax rate, enforcement action by the Attorney General, or loss of state aid.
- The Town of Clinton does in fact meet this “net school spending” requirement. In the past three years, Clinton has funded its schools at 4.5%, 4.0% and (this year) budget estimates 6.0% over that required amount.



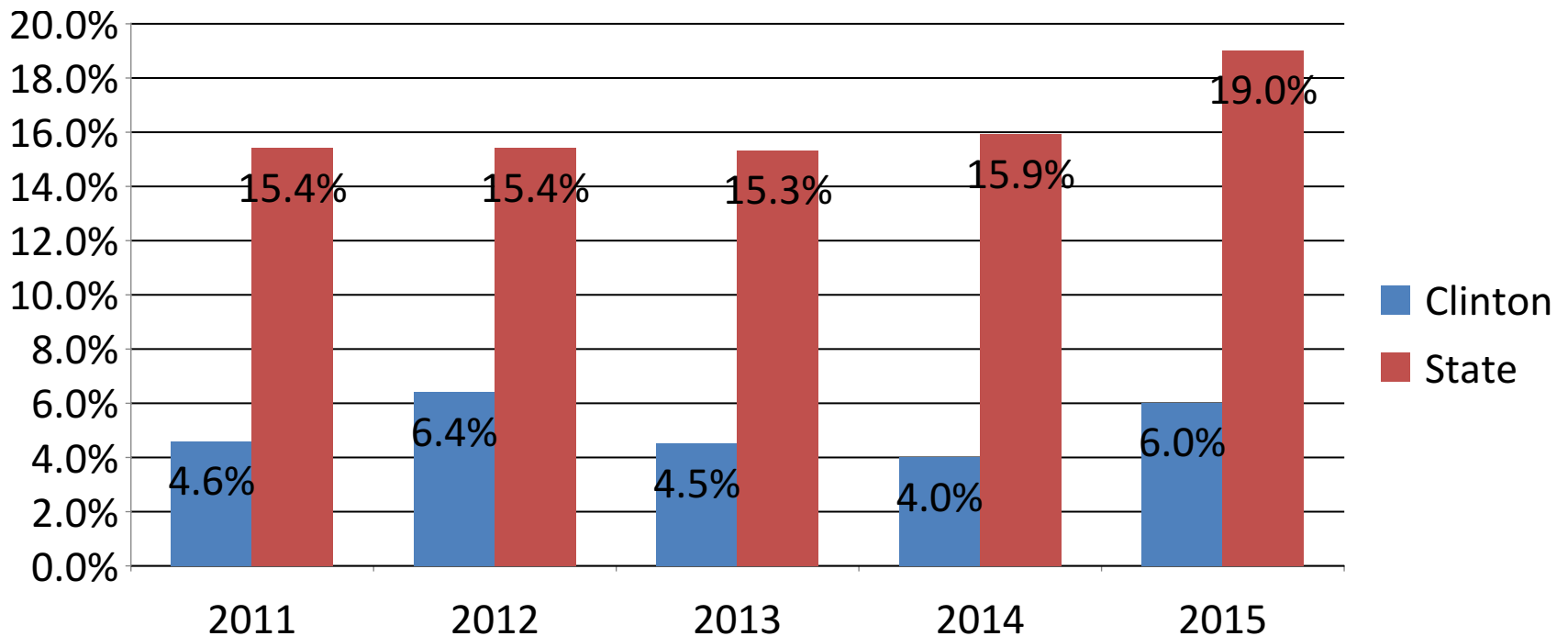
Most Districts Spend in Excess of their Net School Spending Requirement



Where is Clinton?

Clinton has been below the State average for the percentage of monies spent over the required Net School Spending and this trend continues.

Actual % of Monies spent over Required NSS



**FY15 is budgeted not actual*

Clinton Public Schools FY16

Proposed Budget

\$21,681,422

Level Service Budget

- *A level Service Budget is one in which the school system offers the same level of services in the 2015/2016 school year that students benefited from during the current school year.*
- Takes into account:
 - Contractual Obligations
 - Utilities
 - Transportation
 - Enrollment
 - Regular Education
 - Special Education (including out of District Placement)



Proposed FY16 Budget

| | FY14 | FY15 | FY16 | \$ Increase |
|---------------------------|---------------------|---------------------|---------------------|--------------------|
| Personnel Services | \$12,221,831 | \$12,564,430 | 14,433,045 | \$1,868,615 |
| Expenses | \$6,261,650 | \$6,519,050 | \$7,248,377 | \$729,327 |
| Total | \$18,483,481 | \$19,083,480 | \$21,681,422 | \$2,597,942 |
| \$ Increase | | \$600,000 | \$2,597,942 | |
| % Increase | | 3% | 14% | |

Budget Drivers

- ***Compensation:***
 - Contractual Obligations
 - Increase in staff due to enrollment
- ***Educational Mandates:***
 - Out of District Tuition
 - SPED contractual services based on IEP's
 - Vocational Tuition
 - Transportation



Contractual Obligations

| Salary Increases | FY16 Additional Cost to District |
|------------------------------|----------------------------------|
| Individual Contracts | \$21,002 |
| Secretaries/Clerks | \$36,443 |
| Teachers Step Increases Only | \$167,808 |
| Teacher Negotiations Pending | ??? |
| Instructional Assistants | \$61,414 |
| Custodians | \$28,281 |
| TOTAL | \$314,948 |

New Staff Requests

| Staff Requests | Reason |
|---|---------------------|
| SPED – ABA Kindergarten Teacher | Student Needs |
| SPED – Behavior Specialist | Student Needs |
| CES – add 2 FT Teachers | Enrollment Increase |
| CMS – add 1 FT World Language Teacher | Student Needs |
| CHS – increase Chorus Teacher .20 | Student Needs |
| CHS – increase Social Studies Teacher .20 | Student Needs |
| TOTAL NEW STAFF REQUESTS | \$326,138 |

Educational Mandates

| | FY16 Additional Cost to District |
|---|---|
| SPED - Out of District Tuition | \$253,527 |
| SPED - Medical & Therapeutic Contractual Services *based on IEP's | \$50,000 |
| Vocational Tuition *rates remained same as FY15 | \$0 |
| Transportation | \$74,214 |
| TOTAL | \$377,741 |

Budget Busters

- Fee based revenues not covering enough expenses
 - Preschool
 - Athletics
- Budget should be realistically based on history, trends, and contractual obligations
 - Athletics
 - Tuition for staff
 - Sick leave buyback
 - Degree changes for staff
- Loss of state funded grants
- Excess School Choice funds depleted



Fee Based Revenues

- Analyze and review current fee schedules:
 - Athletics
 - Preschool
 - Rental of facilities
 - Busing???



Realistic Budgeting

Proper Budgeting includes reviewing history, trends and contractual obligations

| Expense | FY15 | FY16 |
|--------------------------|------------|------------------|
| Athletic Supplies | \$0 | \$30,000 |
| Tuition for Staff | \$0 | \$55,000 |
| Sick Leave Buyback | \$0 | \$114,840 |
| Degree Changes for Staff | \$0 | \$20,000 |
| TOTAL | \$0 | \$219,840 |

Loss of State Funded Kindergarten Grant

| | |
|-------------|-----------------|
| FY14 | \$90,016 |
| FY15 | \$85,608 |
| FY16 | \$0 |



Excess School Choice Funds Depleted

Greater amounts of School Choice Funds have been used each year to offset budget shortfalls. We are now at a point where essential salaries & expenses need to be replaced by General Fund Appropriation

| Fiscal Year | Tuition In | Expenses | Balance |
|-------------|------------|-------------|-----------|
| FY11 | \$748,250 | \$779,048 | \$729,766 |
| FY12 | \$906,936 | \$777,799 | \$858,903 |
| FY13 | \$949,999 | \$1,129,353 | \$679,549 |
| FY14 | \$850,320 | \$1,116,294 | \$466,579 |
| FY15* | \$745,615 | \$1,055,379 | \$156,816 |

***FY15 – expenses include payroll projection and expenses to date – may increase**

School Choice

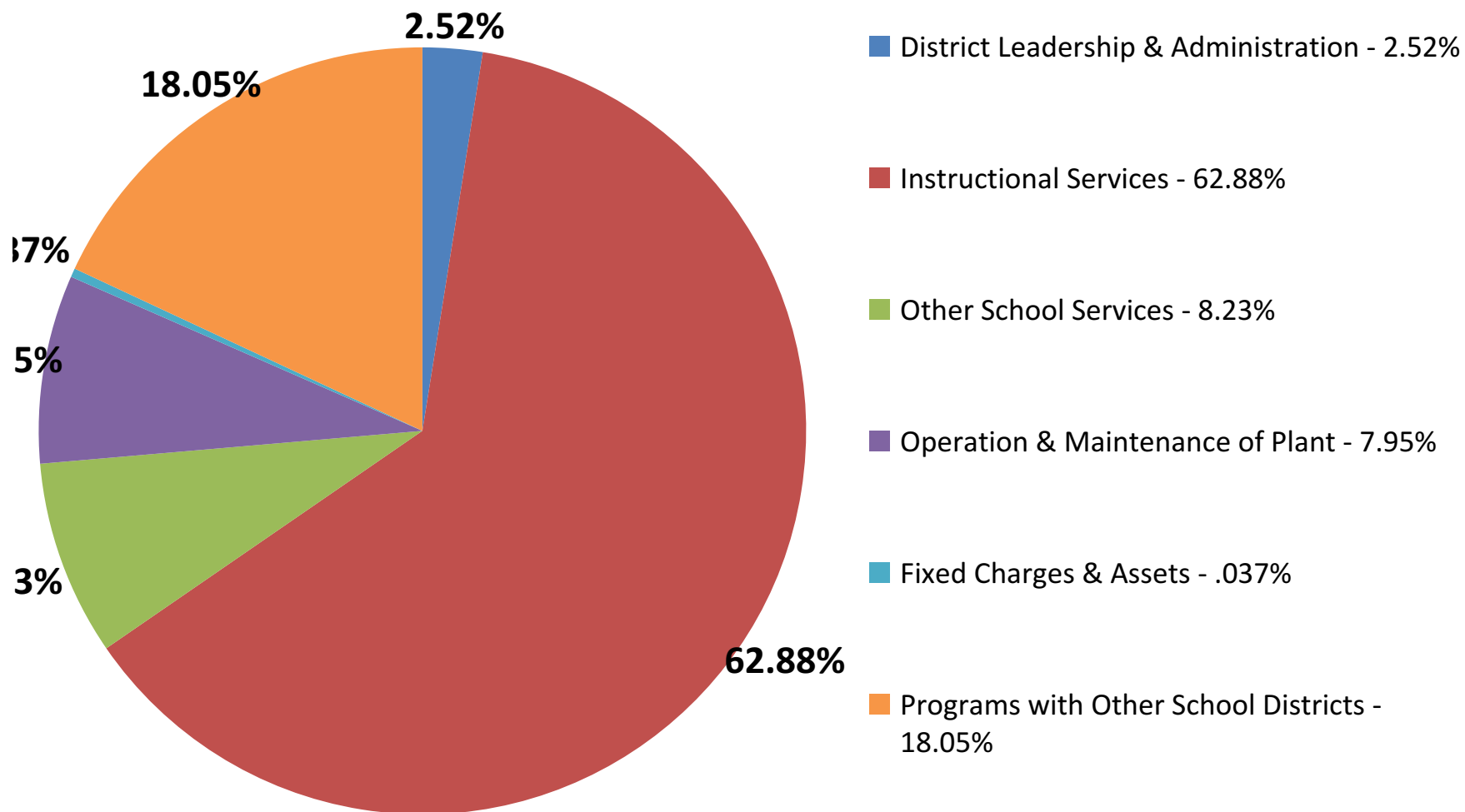
Salaries & Expenses needing General Fund Appropriation

| Description | Expenses |
|-------------------------------|------------------|
| Administrative Salaries | \$89,760 |
| Technology Salaries | \$130,733 |
| Instruction/Teaching Salaries | \$91,723 |
| Librarian Salary | \$79,391 |
| Essential Expenses | \$133,770 |
| TOTAL | \$525,377 |

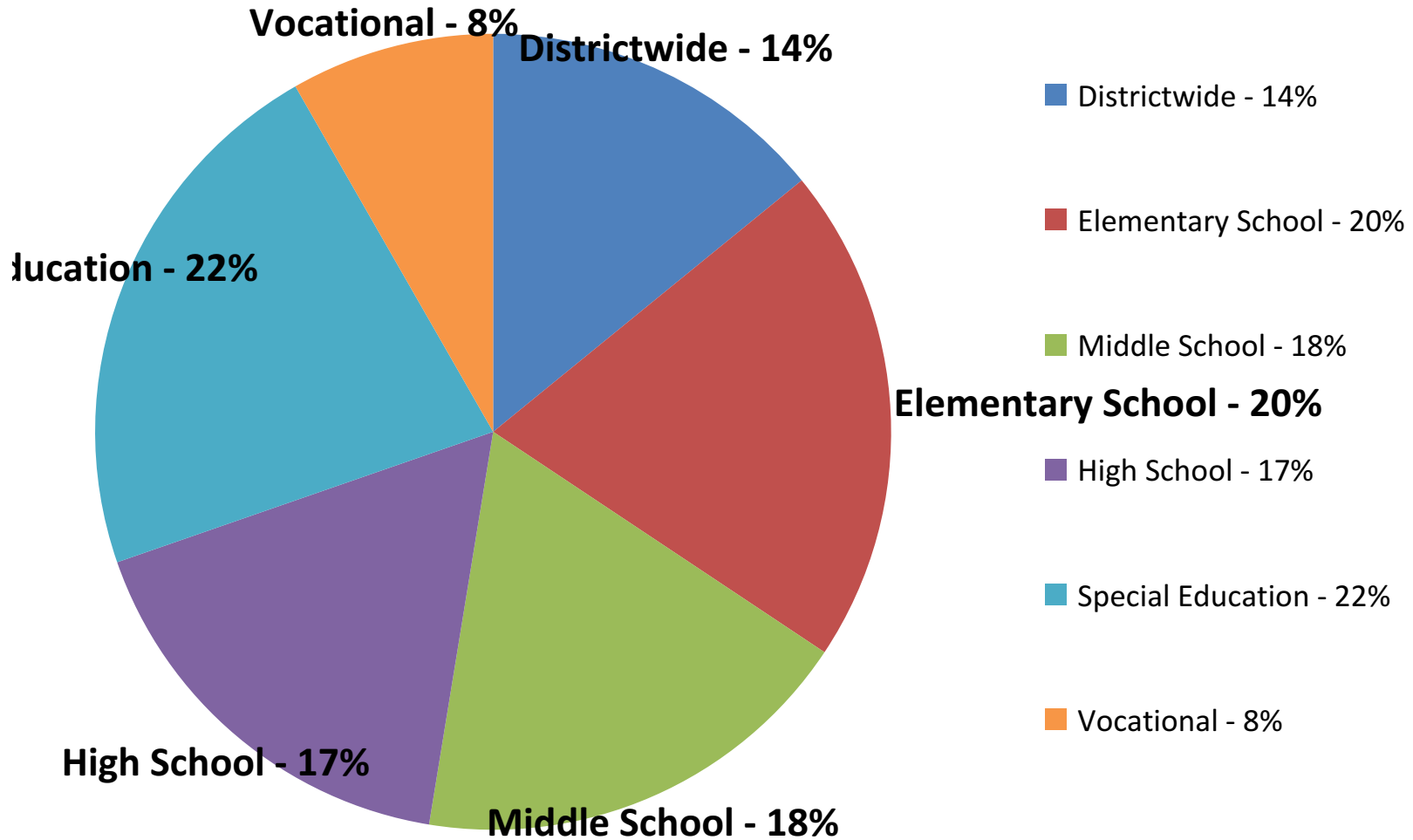
FY16 Budget by Category

| Description | FY15 Budget | FY16 Budget | \$ Change |
|--|---------------------|---------------------|--------------------|
| District Leadership & Administration | \$420,650 | \$546,542 | \$125,892 |
| Instructional Services | \$11,906,451 | \$13,633,716 | \$1,727,264 |
| Other School Services | \$1,666,370 | \$1,783,945 | \$117,575 |
| Operation & Maintenance of Plant | \$1,370,956 | \$1,723,587 | \$352,631 |
| Acquisition, Improvement & Replacement of Fixed Assets | \$59,419 | \$80,472 | \$21,053 |
| Programs with Other School Districts | \$3,659,634 | \$3,913,161 | \$253,527 |
| TOTAL | \$19,083,480 | \$21,681,422 | \$2,597,941 |
| % Increase | | | 14% |

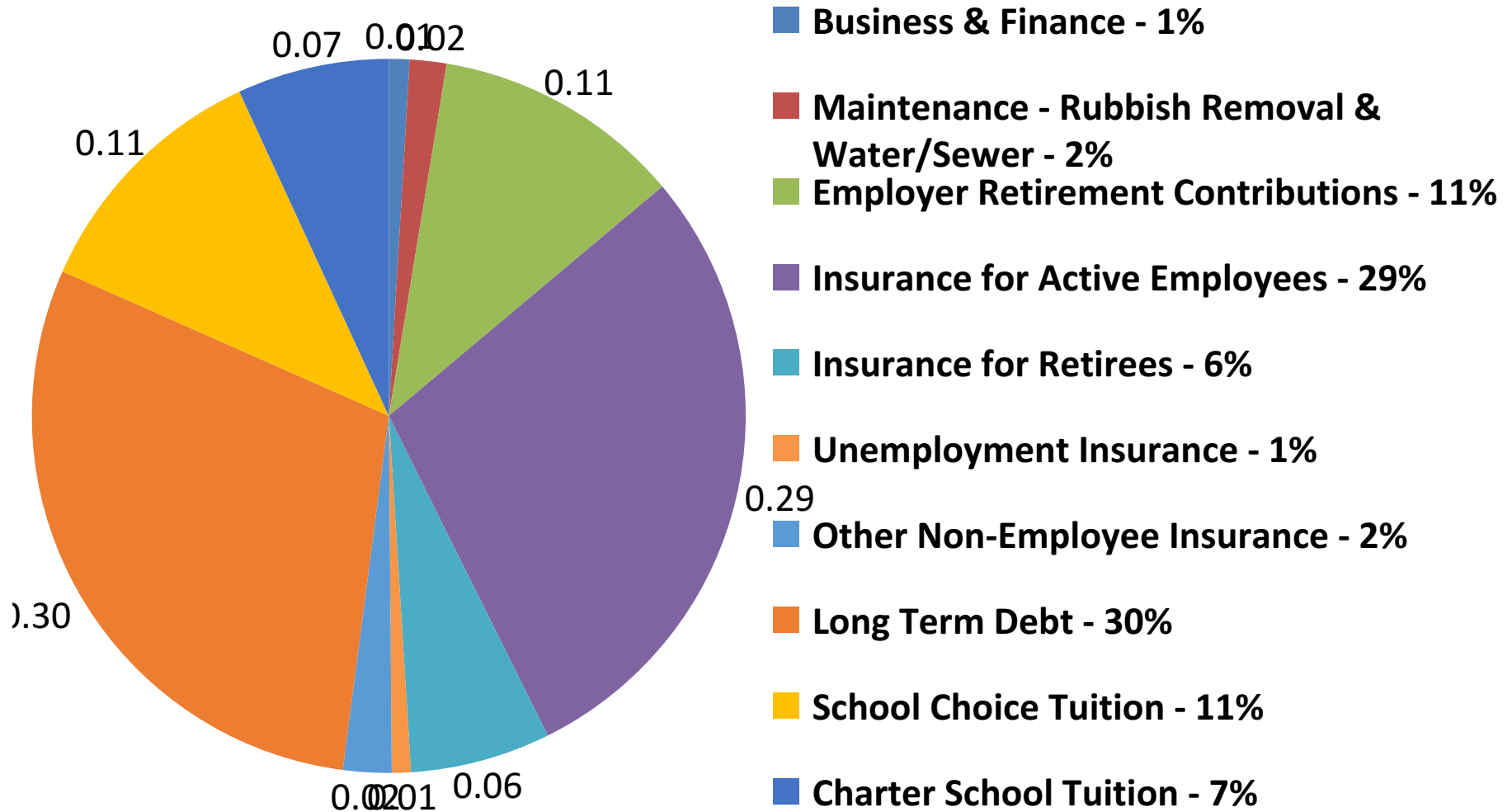
Budget by Category



Budget by Location



FY14 TOWN EXPENDITURES



How are we going to ***Monitor*** this budget & increase ***Accountability***??

- Semi-monthly budget reports to Superintendent & District Leadership Team
- Quarterly budget reports to School Committee
- Tighter rein on collection of fees
- Collaboration with School & Town

TEAM WORK



Summary

| | |
|--|---------------------|
| Start with FY15 General Fund Budget | \$19,083,480 |
| BUDGET DRIVERS | |
| FY16 Contract Obligations **does not include pending negotiations | \$314,948 |
| FY16 New Staff Requests | \$326,138 |
| FY16 Educational Mandates | \$377,741 |
| BUDGET BUSTERS | |
| FY16 Realistic Budgeting Examples | \$219,840 |
| FY16 Loss of State Funded Grant | \$85,608 |
| FY16 School Choice Funds Depleted | \$525,377 |
| TOTAL COSTS DRIVERS/BUSTERS ONLY | \$1,849,652 |
| FY16 Additional Expenses & Pending Negotiations | \$748,288 |
| FY16 Additional Expenses/Negotiations % increase | 4% |
| FY16 Proposed Budget | \$21,681,422 |

**An investment in knowledge
always pays the best interest.
-Benjamin Franklin**

