



# Shrewsbury Public Schools

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Joseph M. Sawyer, Ed.D.  
Superintendent

March 3, 2020

To: School Committee  
Re: Recommendations for Fiscal Year 2021 Fees

At your last meeting on February 12, Mr. Collins presented a variety of options for potential changes to fees that families pay for various services, programs, or activities that are optional in some manner. At that time, I indicated that I would be making my recommendations for adjustments in advance of your March 4 meeting, and this memorandum contains these recommendations. Please refer to the materials from your February 12 meeting for additional information regarding these fees. We will also provide a slide presentation at the March 4 meeting summarizing the following recommendations, illustrating how fees are subsidizing these programs, and providing specific examples of the financial impact fees have on families.

## **Transportation Fee**

Due to inflation in the daily bus rates connected to our contract (3% increase in FY21, as well as offsetting the 3% charge for online payment processing), I recommend that the bus fee rate increase from \$310 per student to \$320 per student, which represents a 3.2% increase. This is estimated to generate approximately \$24,000 in additional revenue. If this increase is approved, it is estimated that the fee revenue for bus transportation for in-district students who are not mandated to be transported to school will be approximately \$774,000. The fee would continue to apply to students in grades Kindergarten through Grade 6 who reside two miles or less from their assigned school and to all students in Grades 7-12, with no change to the family cap of three bus fees and the late fee of \$50 per student (with a family cap of three late fees).

## **Athletic Fees**

As we will experience normal inflationary costs associated with the athletic program (increased transportation costs of 3.0%, as well as a contractual 1.0% increase in coaching stipends, and the need to offset costs of the 3% online payment processing fees), I recommend that the athletic fee rate be increased from \$315 to \$325 per sport per season, which represents a 3.2% increase. This is expected to generate approximately \$11,000 in additional revenue. If the increase is approved, it is estimated that the athletic fee revenue would be approximately \$359,000. A family cap of no more than three athletic fees for high school students in the same family per school year would remain in effect.

I am also recommending that the School Department institute a new athletic fee at Oak Middle School in order to offset the costs of the expanded athletics program there. Given

that there is a shorter season than high school athletics with fewer transportation and officials costs, I am recommending a fee of \$100 per sport with a family cap of no more than three athletic fees per Oak family per school year. If this fee is approved, it is estimated that it will generate approximately \$25,000 in Fiscal Year 2021. I recommend that it be instituted immediately so that the fee is collected for spring sports in 2020 (baseball, softball, track), which is estimated to bring in approximately \$12,200 in Fiscal Year 2020. Please note that in a number of cases this athletics fee will be paid for students who otherwise wouldn't participate in another club or activity at Oak, so this will likely result in a decrease in the number of families who pay the Oak activity fee of \$75, which currently covers all co-curricular activities, including athletics. We estimate this to be about a one-third reduction in activity fees next year.

Because athletic fees are now processed online rather than requiring a check prior to tryouts, I am recommending the establishment of a late fee of \$50 for each high school athletics registration and a \$25 late fee for each Oak athletics registration beyond the established deadline for that season. As we have seen with transportation fees, this should create a deterrent for late payments.

While some school districts charge different amounts for different sports, or add a facilities fee for sports using outside venues, I recommend that the district stay with a single fee level regardless of sport, as there are myriad differences from sport to sport that are extremely complicated to parse out (cost of equipment borne by athletes; number of contests that result in officials' fees and bus travel; different sized rosters; gate receipts generated; etc.). Just as we do not attempt to charge differing bus fees to students depending on the length of their bus ride, I believe we should maintain this simple, direct approach.

### **Activity Fees**

As stipends for club advisors will increase at the contractual rate of 1.0% and the activity fees at Sherwood Middle School and Shrewsbury High School have not been raised in a number of years, I recommend that the Sherwood Middle School activity fee be increased from \$50 to \$55 (generating an estimated additional \$1,500 for a total of \$16,500) and that the Shrewsbury High School activity fee be raised from \$100 to \$110 (generating an estimated additional \$6,000 for a total of \$66,000). As the Oak Middle School activity fee of \$75 was raised in FY19 and a new athletic fee is recommended for implementation at Oak starting this spring, no change to the activity fee at Oak is recommended. If these changes are approved, the revenue from activity fees is estimated to be approximately \$12,000 less than the current year projection, as students who previously only played sports and paid the activity fee for that reason will now be paying the higher athletic fee instead (netting approximately \$13,000 in additional fee revenue). There is no late fee associated with the activity fees, as these are charged on a rolling basis as students sign up for various activities over the course of the school year, rather than at particular points in time.

### **Music Lesson Fees**

Music lesson fees have not been increased since the fall of 2016, and while rates for the lesson providers has not increased, an adjustment is proposed in order to offset fees charged by the online payment processing company (3% of payment) and to offset part of the stipend of the door monitor (\$9,500 annually) who provides building access and

security during the afternoon and evening hours when the lessons are held at Sherwood Middle School. A 5% increase is proposed, so that the cost of a semester of 14, 30-minute lessons would increase from \$406 to \$426; a semester of 14, 45-minute lessons would increase from \$588 to \$617; and a semester of 14, 60-minute lessons would increase from \$770 to \$809. If the increase is approved, it is estimated that the music lesson fee revenue would be approximately \$362,250, an increase of \$17,250. There would be no change to the \$50 late fee that is already part of the program.

As the School Committee has stated many times over the years, it would be preferable if the district were not in a position where it felt it needed to charge fees to families for non-mandated transportation and co-curricular activities, and I certainly feel the same. However, fees are critically important funding sources for our school district, and not having this revenue would result in significant cost reductions in the main educational program. I believe the recommendations made above are reasonable given the inflationary costs that the associated programs face. These recommendations also are in line with the School Committee's preference that incremental increases that are instituted more frequently are preferable to potential steep one-year increases that would be warranted if the funding ratio should fall behind and create significant pressure on the appropriated budget.

I look forward to answering any questions you have regarding these recommendations at the March 4 meeting.