

FY24 Budget Development Status Update

8 February 2023

Status Update- General

- Barring unforeseen circumstances, we expect that the financial data previewed here will be essentially the same as Dr. Sawyer's initial recommendation to you next week.
- Per usual, all areas of the budget have been refined as the process develops from fall estimates to setting the figures for the initial recommendation.

FY24 Budget Status Summary

Some expense forecasts for salaries/wages, transportation, and tuitions have decreased since the last status update.

We are now at the maximum cap, 4.75%, because of the lower cost forecasts and by leveraging available Circuit Breaker funding on account.

School Committee Recap Sheet	Description	FY21 Budget	FY22 Budget	FY23 Budget	FY24 Proposed	FY23 v. FY24 Change	% Change FY23 to FY24	
A1	Administrative Central Office, Principals & Unit B	\$ 3,255,790	\$ 3,636,115	\$ 3,967,121	\$ 4,106,553	\$ 139,432	3.5%	
A2	Unit A (Teachers & Nurses)	\$ 41,746,908	\$ 45,566,510	\$ 48,679,635	\$ 50,833,125	\$ 2,153,490	4.4%	
A3	Aides/ABA/Paraprofessionals	\$ 7,306,915	\$ 7,751,409	\$ 8,159,929	\$ 9,437,957	\$ 1,278,028	15.7%	
A4	Secretaries, Technology & Other Non-Represented	\$ 2,292,688	\$ 2,711,981	\$ 3,037,213	\$ 3,188,772	\$ 151,559	5.0%	
A5	Substitutes - Daily, Long Term & Sub Nurses	\$ 900,900	\$ 900,900	\$ 919,500	\$ 1,363,915	\$ 444,415	48.3%	
A6	Other Wages (See Note 1)	\$ 822,450	\$ 861,780	\$ 1,037,496	\$ 1,009,877	\$ (27,619)	-2.7%	
A7	Employee Benefits	\$ 396,750	\$ 412,250	\$ 454,000	\$ 477,175	\$ 23,175	5.1%	
B1	Regular Education & Voke Transportation	\$ 2,996,624	\$ 3,013,769	\$ 3,100,904	\$ 3,163,993	\$ 63,089	2.0%	
B2	Special Education Transportation	\$ 1,291,750	\$ 1,303,210	\$ 1,092,216	\$ 1,138,340	\$ 46,124	4.2%	
C1	Net Special Education Tuitions	\$ 1,721,469	\$ 4,103,811	\$ 3,538,248	\$ 3,269,690	\$ (268,558)	-7.6%	
C2	Vocational Tuitions	\$ 2,039,117	\$ 2,070,435	\$ 1,474,526	\$ 975,512	\$ (499,014)	-33.8%	
D1	Administrative Contracted Services	\$ 599,028	\$ 610,278	\$ 625,768	\$ 728,072	\$ 102,304	16.3%	
D2	Educational Contracted Services	\$ 646,910	\$ 657,510	\$ 706,692	\$ 790,192	\$ 83,500	11.8%	
D3	Textbooks/Curriculum Materials	\$ 176,104	\$ 181,304	\$ 246,596	\$ 257,076	\$ 10,480	4.2%	
D4	Professional Development	\$ 160,885	\$ 165,143	\$ 168,820	\$ 176,719	\$ 7,899	4.7%	
D5	Educational Supplies & Materials	\$ 263,689	\$ 270,109	\$ 623,608	\$ 655,196	\$ 31,588	5.1%	
D6	Other Miscellaneous (i.e. Off. Supp., Ref. Mat.)	\$ 705,966	\$ 846,975	\$ 755,199	\$ 777,458	\$ 22,259	2.9%	
D7	Equipment	\$ 593,340	\$ 613,679	\$ 684,000	\$ 692,000	\$ 8,000	1.2%	
D8	Utilities - Telephone Exp.	\$ 78,000	\$ 45,000	\$ 47,500	\$ 45,000	\$ (2,500)	-5.3%	
	Total Budget:	\$ 67,995,283	\$ 75,722,168	\$ 79,318,971	\$ 83,086,622	\$ 3,767,651	4.75%	
					Maximum Cap	\$ 83,086,622	\$ 3,767,651	4.75%
					Difference	\$ 0	\$ 0	0.00%

FY24 Increase Recap by Major Category

Major Category	Total Budget Increase	Percent of the Total Increase
Salaries [all Category A]	\$ 4,162,480	110.5%
Transportation [all Category B]	\$ 109,213	2.9%
Tuitions [all Category C]	\$ (767,572)	-20.4%
Supplies, Materials, Contract Services, Equipment [all Category D]	\$ 263,530	7.0%
Total	\$ 3,767,651	100.0%

Unanticipated Budget Expenses in FY23

- Our paraprofessional and substitute teacher budgets have experienced significant cost overruns for FY23.
- These recurring costs necessarily have to be incorporated into the FY24 budget plan.
- The additional costs for paraprofessionals is budgeted at their “full-cost” for FY24 assuming no vacancy rate, the most conservative approach.

Paraprofessional Staff Recap

	FY24	FY23	Diff.	
Special Education paraprofessionals	237.7	213.45	24.25	Six existing students had IEP changes requiring para support. The net balance of 18 is a combination of move-ins/move-outs and referrals from Preschool Early Intervention.
Regular Education paraprofessionals	66.9	65.45	1.45	Increase in Literacy Tutor support [Title 1 and ESSER-3 funding]
Totals	304.6	278.9	25.7	

Like all other areas of the budget, we will continue to update this up until the final budget setting vote in April.

Current FY24 Budget Strategy Recap

- Because our projected FY24 costs exceed the 4.75% maximum increase, we plan to use a portion of available Circuit Breaker funding to decrease our special education tuition appropriations budget and bring the overall budget back into balance to match the maximum budget cap [4.75%].
- Alternatively, budget reductions from our “carry-forward” budget would have to be made.

Special Education Tuition Budget Update

	FY23	FY24 Initial	Difference	Percent Difference
Total Tuitions	\$ 6,485,088	\$ 7,163,035	\$ 677,947	10.5%
Circuit Breaker Funding Use [aka "Offset"]	\$ (2,946,840)	\$ (3,938,345)	\$ (991,505)	33.6%
Net Amount in Town Appropriation Budget	\$ 3,538,248	\$ 3,224,690	\$ (313,558)	-8.9%

Total tuition costs are up 10.5%. But the Net Amount in the Town-Appropriated Budget is going down by 8.9% due to using a greater amount of Circuit Breaker funding.

Circuit Breaker Funding Recap and Projection

6.30.22 Balance [end of FY22]	\$ 3,142,421		
FY23 Budgeted Use of Funds	\$ (2,946,840)		
FY23 Confirmed Reimbursement Amount	\$ 3,405,843		
Year End Projection for 6.30.23	\$ 3,601,424		
Maximum Allowable Cap 6.30.23	\$ 3,405,843		
Must Use Add'l Amount in FY23	\$ (195,581)		
Revised Projected Year End Balance 6.30.23 [FY23]	\$ 3,405,843		
FY24 Prelim. Budgeted Use of Funds	\$ (3,938,345)		
FY24 Projected Reim. Amount	\$ 3,500,000		
FY24 Projected Year End Amount 6.30.24 [FY24]	\$ 2,967,498	84.8% of projected maximum amount	
Using a greater amount of Circuit Breaker funds than we take in decreases the projected year-end balances from FY23 to FY24.			

Circuit Breaker Guideline Recommendation

	Circuit Breaker [CB] Year End Balance Models				Circuit Breaker Balance as a Percent of Operating Budget					
	100%	75%	50%	25%	Est. Budget Amount	Estimated Oper. Budget Increase	100% CB as Percent of Operating Budget	75% CB as Percent of Operating Budget	50% CB as Percent of Operating Budget	25% CB as Percent of Operating Budget
FY24 est.	\$ 3,500,000	\$ 2,625,000	\$ 1,750,000	\$ 875,000	\$ 83,086,622	4.75%	4.2%	3.2%	2.1%	1.1%
FY25 est.	\$ 3,570,000	\$ 2,677,500	\$ 1,785,000	\$ 892,500	\$ 86,617,803	4.25%	4.1%	3.1%	2.1%	1.0%
FY26 est.	\$ 3,641,400	\$ 2,731,050	\$ 1,820,700	\$ 910,350	\$ 90,299,060	4.25%	4.0%	3.0%	2.0%	1.0%
FY27 est.	\$ 3,714,228	\$ 2,785,671	\$ 1,857,114	\$ 928,557	\$ 94,136,770	4.25%	3.9%	3.0%	2.0%	1.0%
	Superior	Strong	Adequate	Inadequate			Superior	Strong	Adequate	Inadequate

See memo recommending a School Committee Guideline on maintaining a year-end fund balance in the Circuit Breaker Fund.

School Transportation

- A new, five-year contract was awarded to AA Transportation as a result of a competitive public procurement process.
- FY24 and each of the successive four years stipulates a 6% annual increase in rates for a total 30% increase over five years.
- We are satisfied with this result as AA Transportation has been a reliable provider/business partner through some difficult times.
- Residual bus fee funds [in addition to a projected \$750,000 in '23-'24 fee revenue] are used to moderate FY24 operating budget increase.

Vocational School Tuitions

- The following applications have been made by grade 8 students:
 - 14 to Assabet Valley Regional Technical High School
 - 1 to multiple vocational schools including Assabet
 - 1 to Norfolk Agricultural School
- The current FY24 budget assumes 4 student acceptances for grade 9 students at Assabet which is “optimistic”.

Adjustments to Elementary Sections

FY23 Budget								
	Kindergarten	Grade 1	Grade 2	Grade 3	Grade 4	Total		
Beal	6	6	6	6	6	30		
Coolidge	3	3	3	3	3	15		
Floral	5	6	5	6	6	28		
Paton	3	3	3	4	4	17		
Spring	3	3	3	3	4	16		
					Total	106		
FY23 Actual								
	Kindergarten	Grade 1	Grade 2	Grade 3	Grade 4	Total		
Beal	7	6	6	6	6	31		
Coolidge	3	3	3	3	3	15		
Floral	5	6	5	6	6	28		
Paton	3	3	3	4	4	17		
Spring	3	3	3	3	4	16		
					Total	107	+1 over budget	
FY24 Budget							Diff from FY23 Actual	Diff from FY23 Budget
	Kindergarten	Grade 1	Grade 2	Grade 3	Grade 4	Total		
Beal	7	7	5	6	7	32	1	2
Coolidge	3	3	3	3	3	15	0	0
Floral	5	5	6	5	6	27	-1	-1
Paton	3	3	3	3	4	16	-1	-1
Spring	3	3	3	3	3	15	-1	-1
					Total	105	-2	-1

Projected Elementary Class Sizes

Grade Level	Proj. 2023-24	Beal			Coolidge			Floral Street			Paton			Spring St.		
		Students	Clsrms/Sect	Avg.	Students	Clsrms/Sect	Avg.	Students	Clsrms/Sect	Avg.	Students	Clsrms/Sect	Avg.	Students	Clsrms/Sect	Avg.
FDK	351	117	7	17	49	3	16	91	5	18	48	3	16	46	3	15
Grade 1	410	137	7	20	57	3	19	106	5	21	56	3	19	54	3	18
Grade 2	392	107	5	21	56	3	19	114	6	19	59	3	20	56	3	19
Grade 3	382	126	6	21	49	3	16	102	5	20	48	3	16	57	3	19
Grade 4	435	135	7	19	58	3	19	115	6	19	66	4	17	61	3	20
Total 1-4	1970	School Avg./Class		19.4	School Avg./Class		17.9	School Avg./Class		19.6	School Avg./Class		17.3	School Avg./Class		18.3
Totals	1970	622	32		269	15		528	27		277	16		274	15	

School Committee class size guidelines:

Kindergarten guideline: 17-19

Grades 1-2 guideline: 20-22

Grades 3-8 guideline: 22-24

Green font= Below School Committee Guideline

Red font= Above School Committee Guideline

Black font= Within School Committee Guideline

Middle School Projected Class Sizes

		Sherwood Middle			Oak Middle		
Grade Level	Proj. 2023-24	Students	Sections	Avg.	Students	Sections	Avg.
Grade 5	455	455	20	23			
Grade 6	449	449	20	22			
Grade 7	509				509	20	25
Grade 8	466				466	20	23
Totals		904	40		975	40	

School Committee class size guidelines:

Kindergarten guideline: 17-19

Grades 1-2 guideline: 20-22

Grades 3-8 guideline: 22-24

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Additional Positions

- Added after FY23 budget set and included in FY24:
 - .5 Elementary Special Education teacher- due to need to fulfill IEPs
 - .4 World language teacher- hired this year to teach *Heritage Portuguese*
 - 1.0 Spring St. English Language Learner teacher- recently hired due to increased need for services
 - 1.1 School nurses-already increased FTE but state grant funding expires at end of FY23

Included in Initial FY24 Overall Budget Plan

- Operating budget:
 - 1.0 High School Science/Engineering teacher –Project Lead the Way Courses
 - 1.0 Reading specialist at Sherwood Middle
 - -1.0 Net change at elementary level
- Grant funded [SPED IDEA/240 Grant]:
 - 2.0 RISE special education teachers
 - 1.0 RISE related services [speech, OT, counseling]
 - 1.0 RISE Retail store manager
 - 8.0 RISE Job coaches/paraprofessionals

District Leadership Team [DLT] Requests

Dept./School	Type of Expense			Total	Percent of Total by Level	FTE Requested	FTE Description
	Level	One Time	Recurring				
K-12 Curriculum	District	\$600,000	\$297,000	\$897,000		1	Reading Specialist
K-12 Media	District	\$6,750	\$496,250	\$503,000		5	1 Business teacher and 4 Media aides
Athletics: SHS & Oak	District	\$35,000	\$134,000	\$169,000		2.5	Asst. AD, Secretary, Increase PT trainer to FT
Information Technology	District	\$0	\$142,000	\$142,000		0.2	Extend IT Support from SY to Full Yr.
7-12 World Languages	District	\$0	\$112,000	\$112,000		1.4	Increase FTE in several positions
Nursing	District	\$0	\$77,000	\$77,000		1.1	Currently funded by Grant [.4 Sherwood, .4 Oak, .3 SHS]
K-12 Art	District	\$0	\$75,000	\$75,000		1	For Oak Middle
Special Education	District	\$0	\$70,000	\$70,000		1	Intensive needs teacher for Sherwood
K-12 Music/Performing Arts	District	\$37,451	\$0	\$37,451		0	
ELL	District	\$14,500	\$16,500	\$31,000		0.5	Secretarial Support
K-12 Health, PE	District	\$0	\$26,500	\$26,500		1	Secretarial Support
		\$693,701	\$1,446,250	\$2,139,951	79.70%	14.7	
Beal School	Elementary	\$75,000	\$70,000	\$145,000	5.40%	1	Adjustment Counselor
Oak Math	Middle	\$0	\$41,000	\$41,000	1.50%	0	
SHS Science	High School	\$0	\$83,250	\$83,250		1	PLTW Courses/electives in Engineering
SHS English	High School	\$4,000	\$70,000	\$74,000		1	English electives and lower class sizes
SHS Guidance	High School	\$0	\$70,000	\$70,000		1	School Counselor
High School	High School	\$7,000	\$60,000	\$67,000		1	Sec'y spt. for AD and IT Directors [part overlap with AD req.]
SHS Social Studies	High School	\$5,000	\$30,000	\$35,000		0	
SHS Fam. Consumer Science	High School	\$0	\$23,000	\$23,000		0	
SHS Math	High School	\$6,000	\$0	\$6,000		0	
		\$22,000	\$336,250	\$358,250	13.30%	4	
TOTALS		\$790,701	\$1,893,500	\$2,684,201	100.00%	19.7	
Percent of Total		29.50%	70.50%				

One-Time Expense Funding Plan Proposal

- See separate memo on a proposal to partially fund some of the District Leadership Team one-time funding requests.

FY24 Departmental Request	DLT Req. for FY24	Recom.	Notes	Funding Source			FY24 Appropriations Budget	Total	Timing
				ESSER-2	ESSER-3	SHS Gift			
K-12 Media	\$6,750	\$4,000	Materials for new Business courses and staff PD		\$4,000			\$4,000	Order this spring
Athletics: SHS & Oak	\$35,000	\$0	Has funding possibilities via Boosters						
K-12 Music/Performing Arts	\$37,451	\$0	Recent fundraising effort injected \$35K+						
ELL	\$14,500	\$7,000	ELL program also gets state grant funding		\$7,000			\$7,000	Order this spring
SHS English	\$4,000	\$4,000	Bookshelves for 10 classroom libraries		\$4,000			\$4,000	Order this spring
High School	\$7,000	\$0	Exterior lighting project--possible Public Bldgs. funding						
SHS Social Studies	\$5,000	\$5,000	Digital DEIB resources and staff PD		\$3,500	\$1,500		\$5,000	Order this spring
SHS Math	\$6,000	\$6,000	Summer curriculum development stipends for 7 staff at 20 hours each.			\$6,000		\$6,000	Order this spring
	\$115,701	\$26,000							
K-6 Literacy Resources	\$600,000	\$266,972			\$84,972		\$182,000	\$266,972	Order after 7/1/23
Renaissance Learning STAR Assessment Software		\$182,000		\$182,000				\$182,000	2-year Renewal on 6/15 for 7/1 start
Equity Audit		\$55,000						\$55,000	
Total Investment		\$529,972		\$182,000	\$103,472	\$7,500	\$182,000	\$529,972	

PreK Tuition & Fees Discussion

- Fees to review:
 - PreK tuition, Busing, Athletics. [all of these programs co-funded by town appropriated budget and fee revenues]*
 - Extended School Care and Music lessons [these programs are 100% self-funded by fee revenue]
- Two dates reserved for discussion and vote.

**The initial budget assumes level funding of all tuitions and fees that are co-funded with town appropriated budget.*

Planned Budget Calendar Topics

- 2/14 Town Manager releases his FY24 Budget: Fiscal Projection#1
- 2/15 Superintendent Initial Budget Recommendation
- 3/1 Fee report/recommendation, Curriculum, Instruction & IT Budgets
- 3/15 Special Education Budget, RISE Program, Vote on fees
- 3/25 School Committee reviews budget with Finance Committee
- 3/29 Clinical and mental health resources report, school nursing report, FY24 Budget Public Hearing
- 4/5 Holding date for potential Budget Workshop
- 4/12 Superintendent final budget recommendation, Vote final budget
- 5/15 Annual Town Meeting

Remaining Tasks: Now Until February 15th

- Prepare the detailed budget book.
- Prepare the FY24 presentation slide deck.
- Both items will be made available mid next week.