



School Committee
FY25 Budget Hearing
March 7, 2024



FY25 Budget Discussion Acknowledgements

Have a difficult conversation

- School Committee may want to see greater investments
- Town Officials may want to see more reductions

Share decision making process

Provide data to support decisions



FY25 Budget Agenda

- District Financial Status
- FY23 Recap
- FY24 Status
- FY25 Development
- FY25 Draft Budget
- Responses to Requests for Greater Detail
- Considerations and Next Steps



Financial Status



District Financial Status

Last year, we identified a number of financial processes and reports that had not been completed from prior years.

Resolved

- FY21 Audit
- FY22 Audit
- FY22 End of Year Report
- FY22 E&D Certification
- Cash Reconciliations current from July 2021
- Journal Entries current from July 2021

On Track

- FY23 End of Year Report completed
- FY23 E&D Certification completed
- FY23 Audit In Progress



FY23 Recap



FY23 Under Funded Appropriations

The FY23 budget did not properly account for actual expenses in a number of areas

- Benefits & Insurance (\$851,215)
- Special Ed Out of District Tuitions (\$1,128,441)
- Special Ed Out of District Transportation (\$1,137,159)
- Operations & Maintenance (\$580,649)
- These deficiencies also impacted the FY24 budget as they were not identified until after the budget development



FY23 End of Year

FY23 End of Year Reconciliations

- Amended Operating Budget by \$950,000
 - Amended Budget: \$110,036,38
- Excess & Deficiency Use
 - \$850,000 Budgeted as FY23 Revenue
 - \$950,000 to Amend FY23 Budget
- Revolving Fund Use
 - \$942,602 to Balance FY23



FY24 Status



FY24 Budget - What Was Included

- 8 Class Size Adjustments (6 Hired)
- 1 ELE Teacher (Hired)
- 2 Counselors (Hired)
- 1 Director of Curriculum (Hired)
- New K-2 ELA Curriculum Selection and Purchase (Implementing K-5 FY25)
- Facilities Improvements
 - ECC Floors (Completed)
 - Generator ECC/Central Office (In Process)



FY24 Current Status

Current Certified E&D

- \$1,233,832 (1.06%)
- Allowed \$5.8 Million (5%)

Line Item Concerns

- Special Education Tuitions
- Operations & Maintenance

Hopeful We Will Balance without E&D

- Grants
- Revolving Funds



FY25 Development



FY25 Initial Budget Development Process

- 20 School and Departmental Budget Meetings
- School and department funding requests reviewed and discussed with School Committee at Annual Budget Retreat
- Forecasting FY25 Budget based on FY24 expenditures and needs identified in the Strategic Plan



Originally Planned FY25 investments

- School and Department Requests
- Technology Infrastructure Upgrades
- Class Size Adjustments
- Counseling Staff
- Facility Improvements



FY25 Unexpected Challenges

The FY25 budget forecast has been significantly impacted by a number of unexpected factors:

- Chapter 70 Hold-Harmless Impact
- Adjustment to Properly Appropriate for Special Ed Tuitions
- Lack of Available Reserves to Mitigate Crisis
- Greater financial responsibility shifted to towns from state



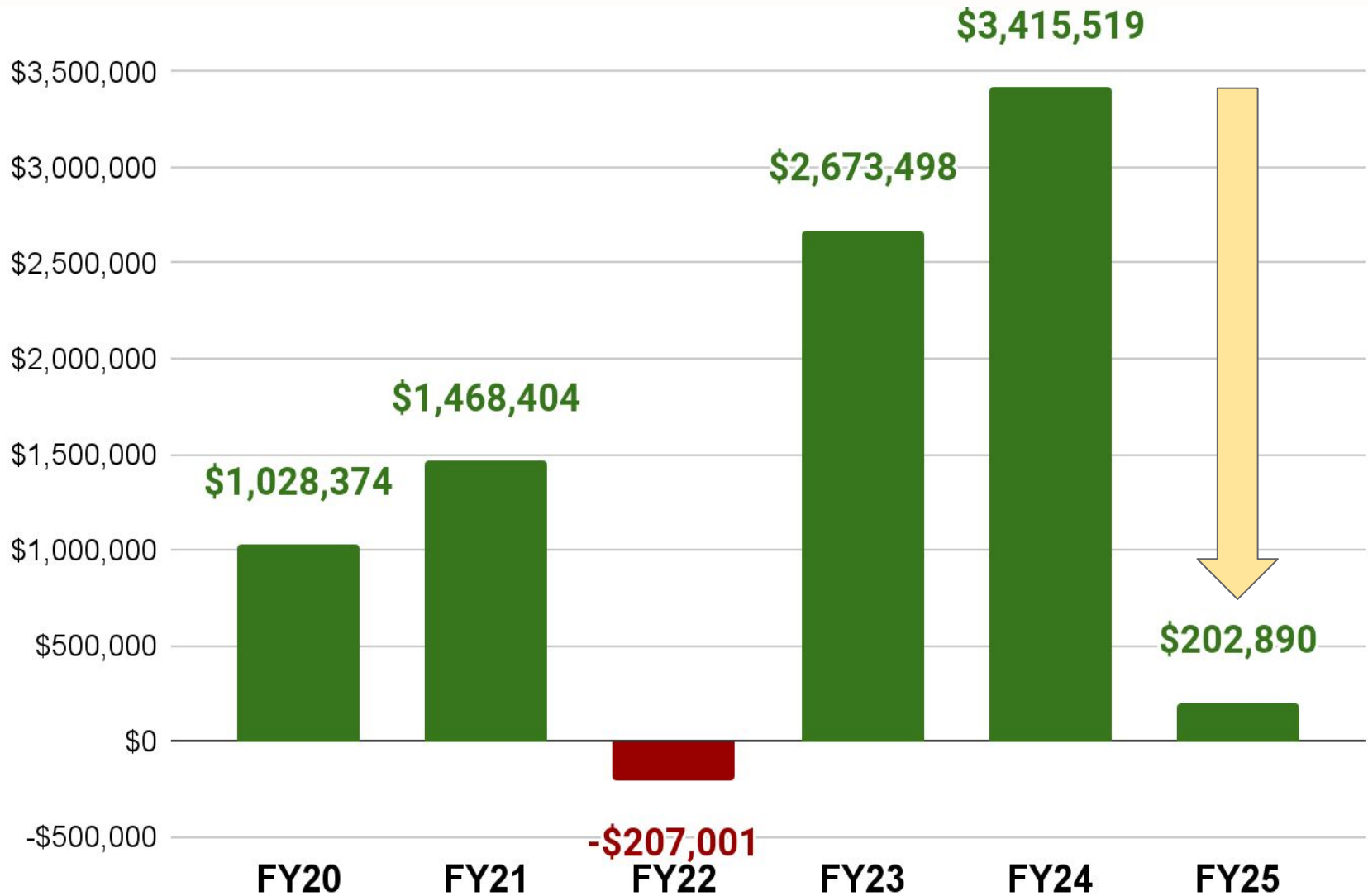
FY25 DESE Hold Harmless Status

What does Hold Harmless mean?

- Due to a slight decline in FY24 enrollment and a decrease in the inflation rate, the district was placed in “Hold Harmless” status for FY25
- This means that the district is not eligible for an increase in Chapter 70 aid
- Hold Harmless districts only receive an additional \$30 per-student in FY25 Chapter 70 aid
- One of 211 Districts in Massachusetts



Historical Chapter 70 Increases





Special Ed Tuitions

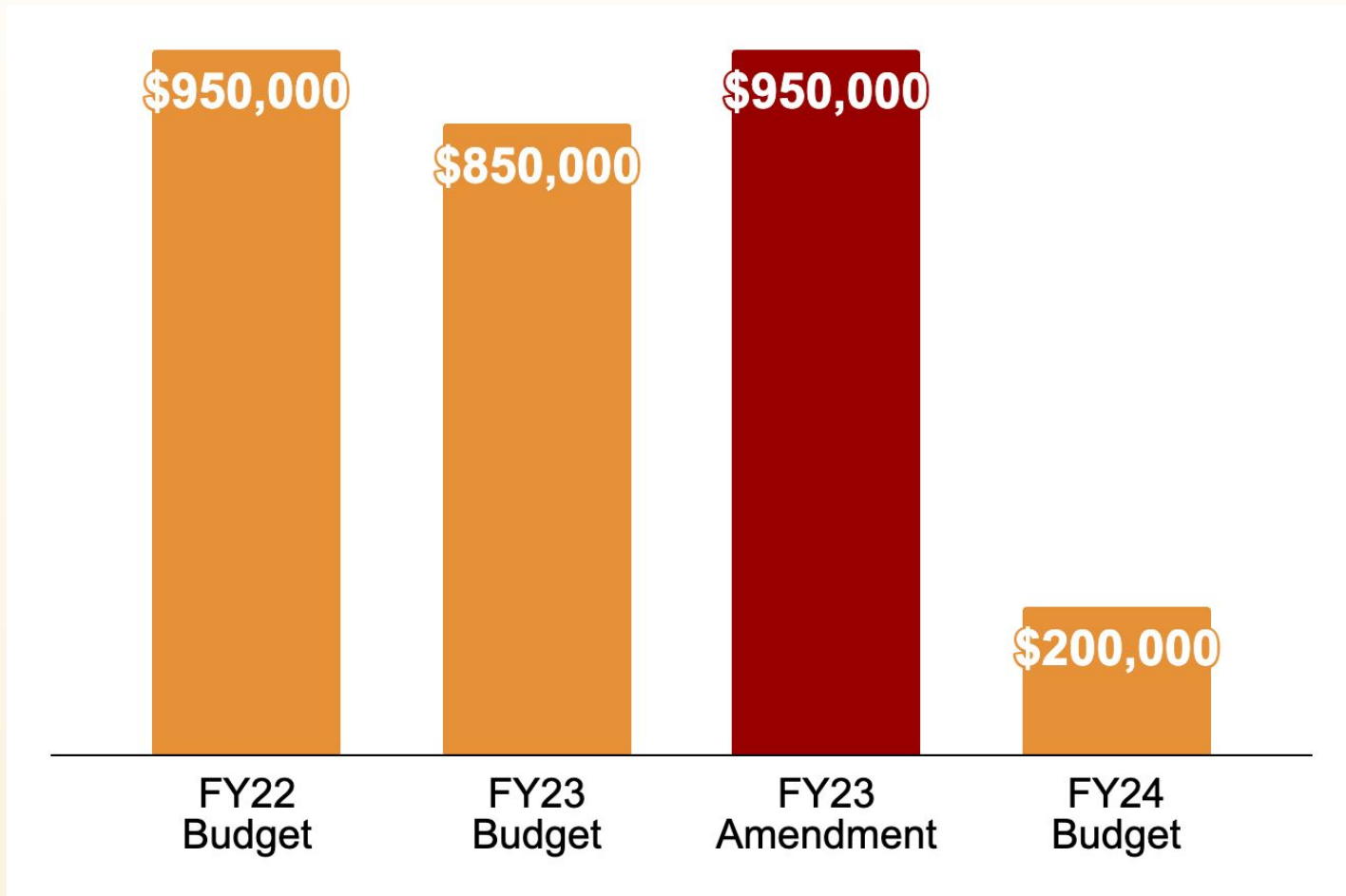
Fees for students attending specialized programs outside of the district

- State-approved OOD tuition rates increased by over 14% in FY24
- Rates will increase by 4.69% in FY25
- Actual FY23 tuition expenditures were unknown until late May 2023
- FY24 Appropriation underfunded as a result
- Necessitates a major correction in FY25



Excess & Deficiency Use (FY22-FY24)

\$2.95 Million Utilized from E&D





Town Share of Overall Budget

- State determination of each town's share of Net School Spending continues to rise
- Exacerbated by Chapter 70 status
- Impact on FY25 revenue structure
 - WRSD draft budget increase: 4.97%
 - Total town assessment increase: 6.12%
 - Largest town assessment increase in recent years



FY25 Funding Overview

Additional Challenges

- Transportation contract increased 11.5% for FY25
- Contractual obligations and other cost of living adjustments account for an increase of approximately \$3 million over FY24



FY25 Revised Budget Approach

Recognize the Challenge

Be Cognizant of Town Impacts

Protect Essential Services



FY25 Revised Approach: Essential Needs

- Strategic Plan
 - Adoption and support of new Elementary ELA HQIM Curriculum
- Facilities
 - Essential work at District Buildings
- Hope to Identify Further Efficiencies
 - Class Size Adjustments
 - Mental Health Supports



FY25 Draft Budget



FY25 Budget - Enrollment Update

Overall District	Oct. 2023		Oct. 2024		Enrollment Change	
Town	Count	Percentage	Count	Percentage	Count	Percentage
Holden	3,235	47.51%	3198	47.29%	-37	-1.14%
Paxton	635	9.33%	619	9.15%	-16	-2.52%
Princeton	405	5.95%	421	6.23%	16	3.95%
Rutland	1,628	23.91%	1642	24.28%	14	0.86%
Sterling	906	13.31%	883	13.06%	-23	-2.54%
Total	6,809	100.00%	6763	100.00%	-46	-0.68%



FY25 Minimum Local Contribution

Town	FY24	FY25	\$ Change	% Change
Holden	\$22,192,218	\$23,138,149	\$945,931	4.26%
Paxton	\$4,860,250	\$4,997,947	\$137,697	2.83%
Princeton	\$4,009,651	\$4,223,361	\$213,710	5.33%
Rutland	\$8,718,417	\$9,185,650	\$467,233	5.36%
Sterling	\$9,320,886	\$9,647,652	\$326,766	3.51%
Total MLC	\$49,101,422	\$51,192,759	\$2,091,337	4.26%



FY25 Budget by Appropriation

Appropriation	FY24 Budget	FY25 Proposed	\$ Diff +/-(-)	% Diff
Salaries & Stipends	\$71,256,493	\$73,879,307	\$2,622,815	3.68%
Benefits & Insurance	\$21,111,295	\$22,312,888	\$1,201,593	5.69%
Instructional Support	\$3,891,502	\$4,089,473	\$197,971	5.09%
Operations & Maintenance	\$4,960,364	\$5,610,127	\$649,763	13.10%
Pupil Services	\$67,551	\$86,301	\$18,750	27.76%
Special Ed Tuitions	\$2,563,570	\$3,913,818	\$1,350,248	52.67%
Other Operating Costs	\$1,652,745	\$1,602,059	(\$50,686)	-3.07%
Transportation	\$8,444,077	\$9,623,163	\$1,179,086	13.96%
Debt Service	\$2,261,200	\$862,150	(\$1,399,050)	-61.87%
Total General Fund	\$116,208,797	\$121,979,286	\$5,770,489	4.97%



FY25 State & Local Revenues

Revenue Source	FY24 Budget	FY25 Proposed	\$Diff +/-(-)	% Diff +/-(-)
Ch. 70 Aid	\$35,851,035	\$36,053,925	\$202,890	0.57%
Ch. 71 Transportation	\$2,044,820	\$2,908,678	\$863,858	42.25%
Charter Tuition Aid	\$227,398	\$200,158	(\$27,240)	-11.98%
Total State Aid	\$38,123,253	\$39,162,761	\$1,039,508	2.73%
Medicaid	\$750,000	\$750,000	\$0	0.00%
Interest	\$50,000	\$275,000	\$225,000	450.00%
Misc. Revenue	\$225,000	\$225,000	\$0	0.00%
Excess & Deficiency	\$200,000	\$0	(\$200,000)	-100.00%
Total Local Revenue	\$1,225,000	\$1,250,000	\$25,000	2.04%



FY25 PRELIMINARY Town Assessments

Town	FY24 Budget	FY25 Proposed	\$Diff +/-(-)	% Diff +/-(-)
Holden	\$35,380,118	\$37,495,740	\$2,115,622	5.98%
Paxton	\$7,458,807	\$7,786,547	\$327,740	4.39%
Princeton	\$5,629,623	\$6,106,079	\$476,456	8.46%
Rutland	\$15,363,502	\$16,555,122	\$1,191,620	7.76%
Sterling	\$13,028,493	\$13,623,038	\$594,545	4.56%
Total Towns	\$76,860,543	\$81,566,526	\$4,705,983	6.12%

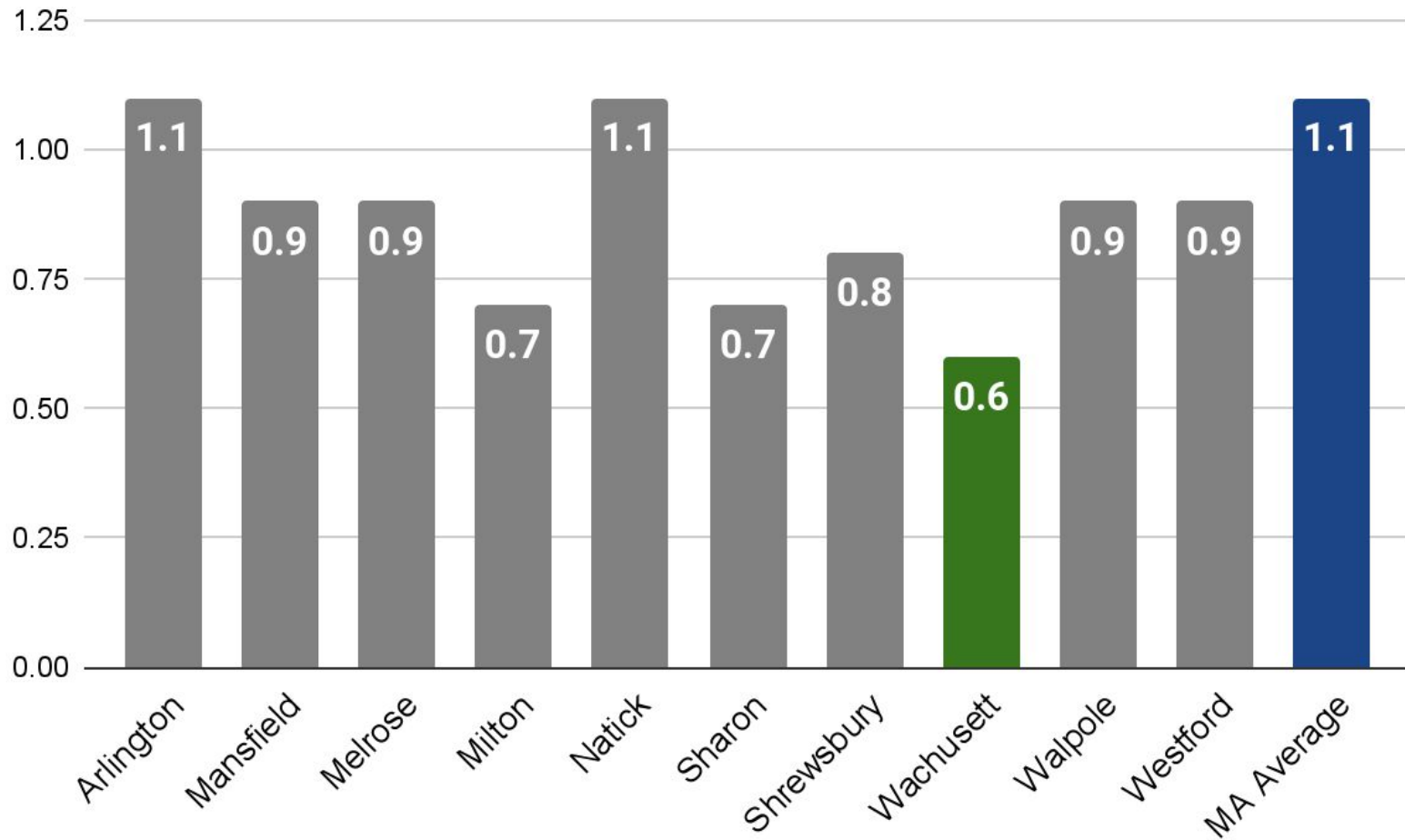


Responses to Requests for Greater Detail



Staffing Analysis

School & District Administrators - Oct. 2023
Per 100 Students Compared to DART Peer Districts

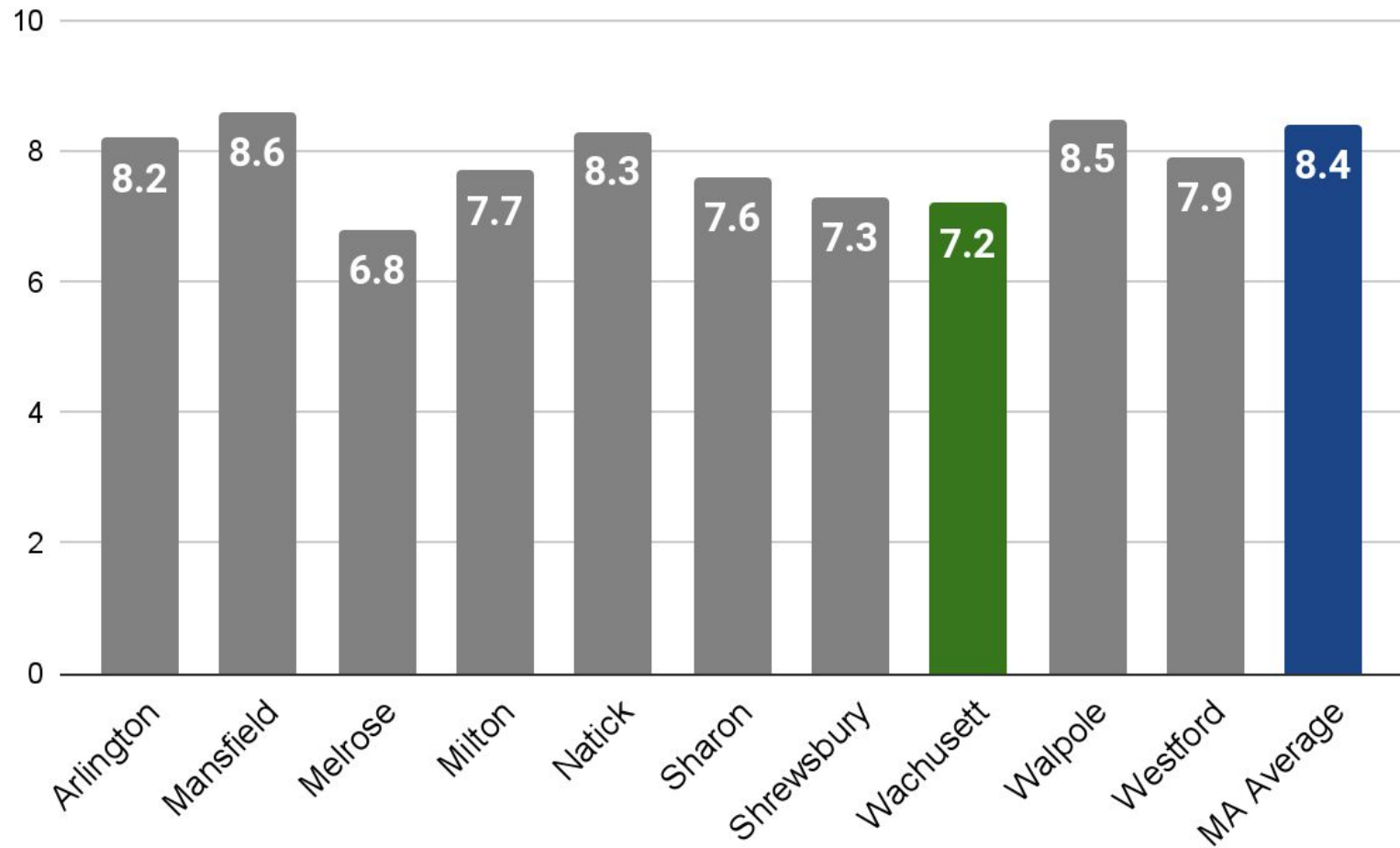




Staffing Analysis

Teachers - Oct. 2023

Per 100 Students Compared to DART Peer Districts

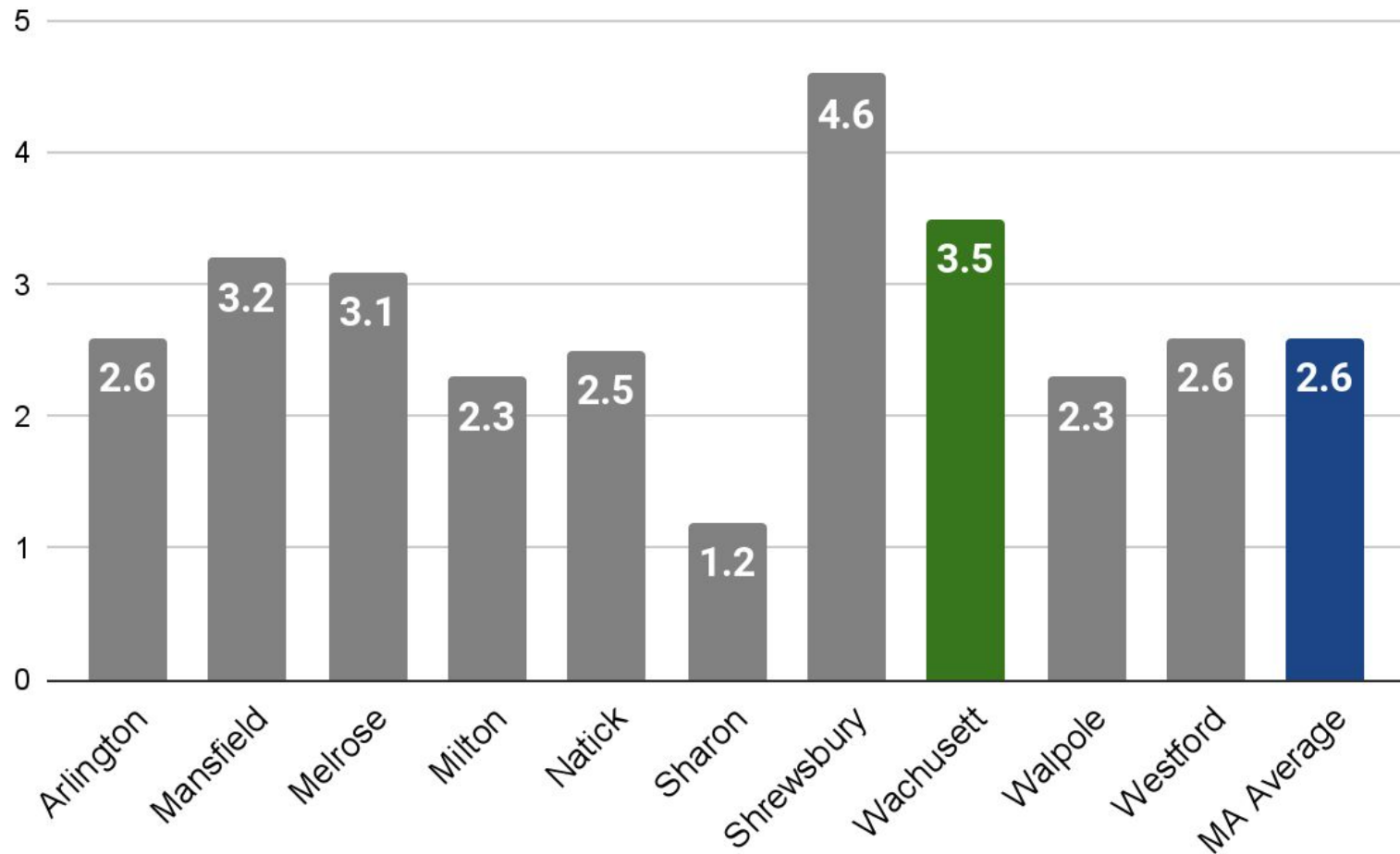




Staffing Analysis

Paraprofessionals - Oct. 2023

Per 100 Students Compared to DART Peer Districts

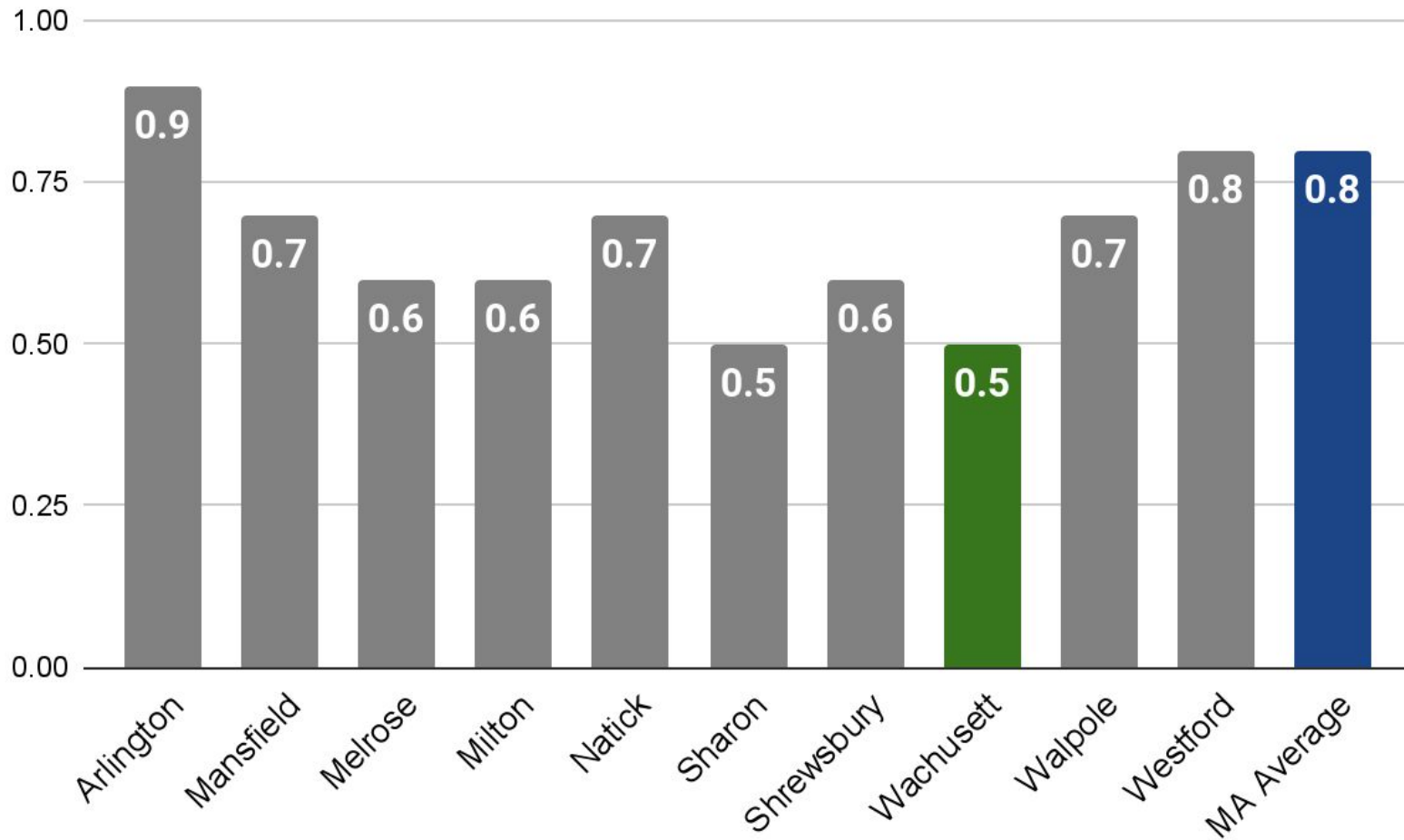




Staffing Analysis

Student Support Staff - Oct. 2023

Per 100 Students Compared to DART Peer Districts

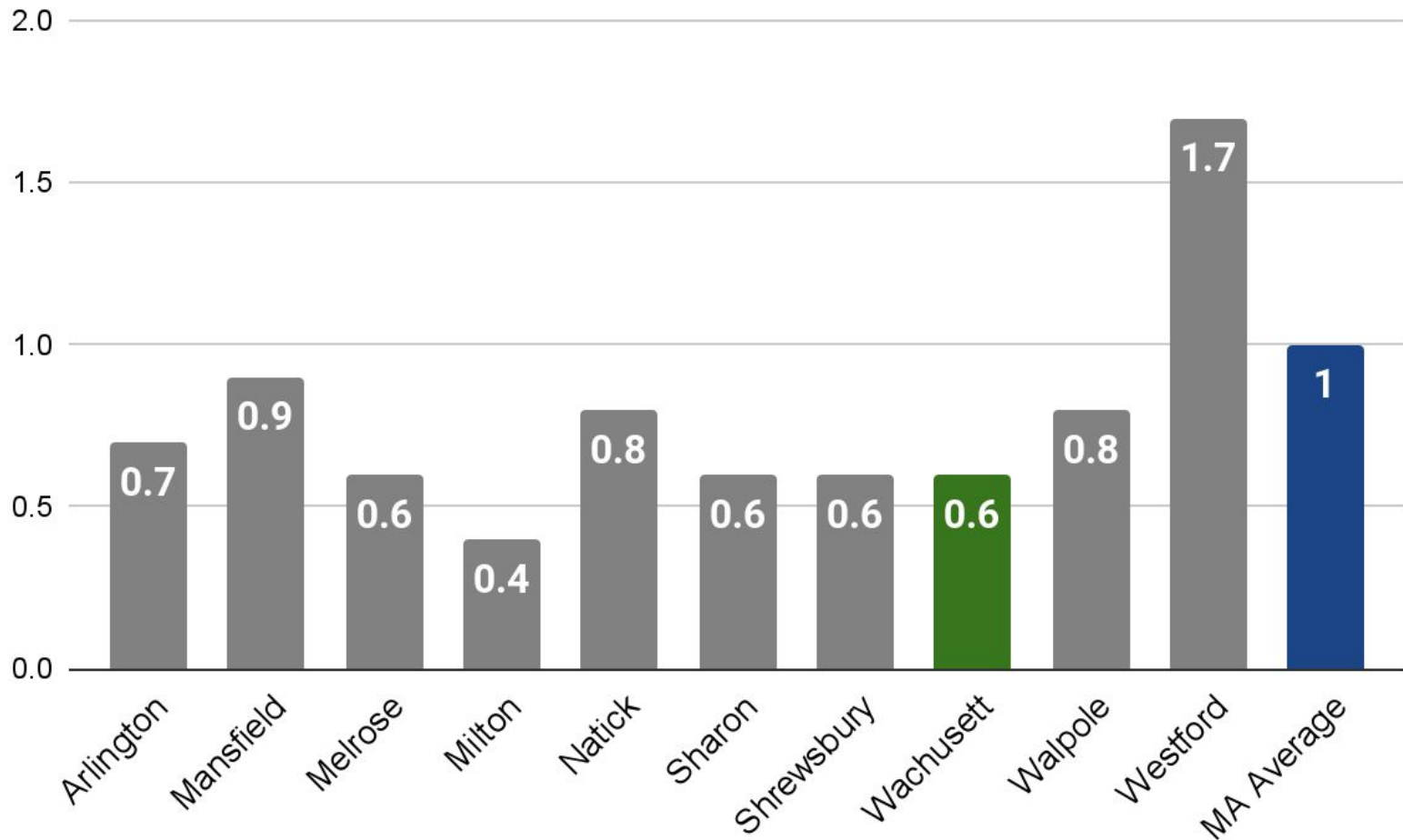




Staffing Analysis

Clerical Staff - Oct. 2023

Per 100 Students Compared to DART Peer Districts

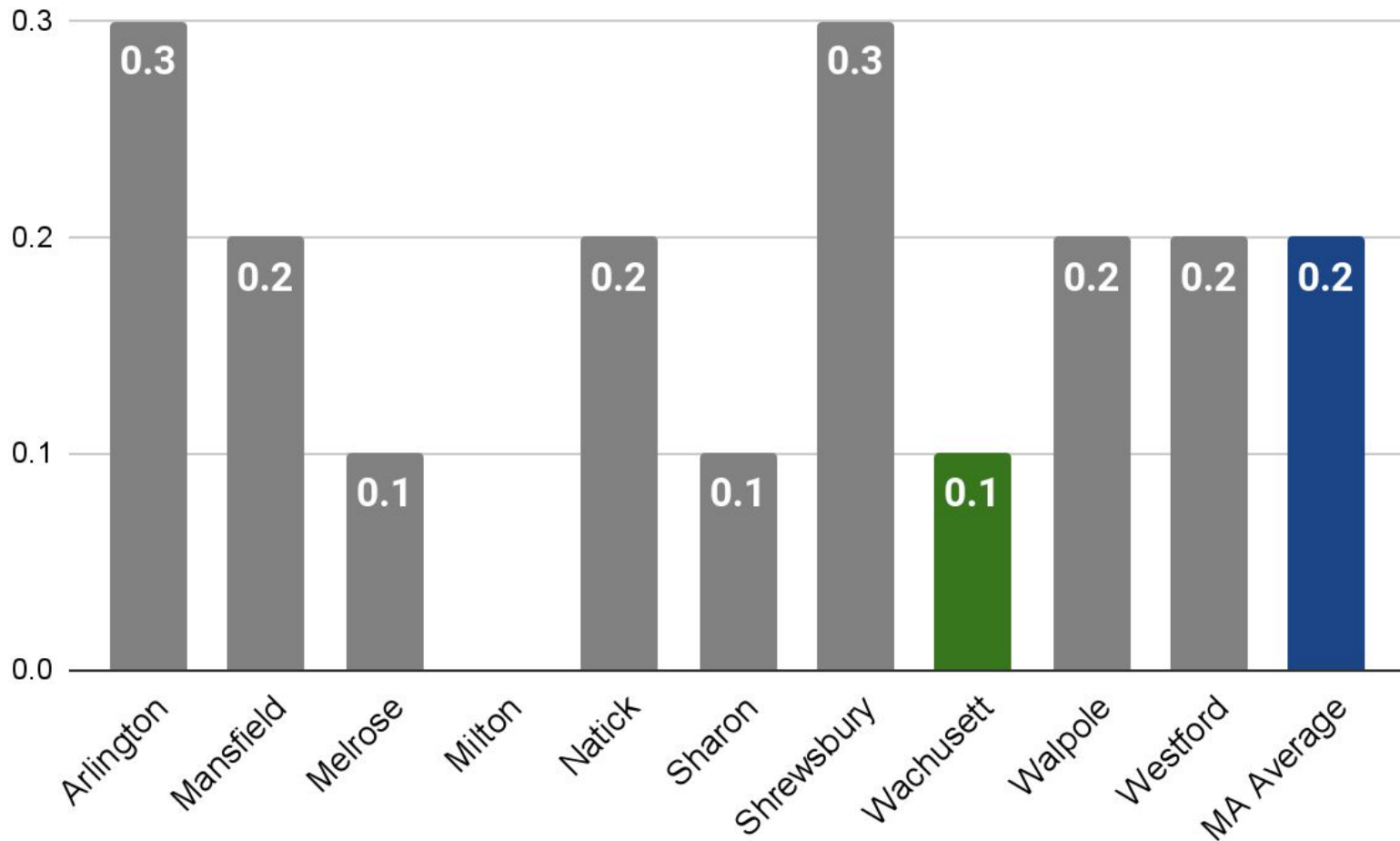




Staffing Analysis

Technology Staff - Oct. 2023

Per 100 Students Compared to DART Peer Districts





Special Education Budget Details

While Special Ed Tuitions account for a large increase in the FY25 Budget, overall Special Ed services continue to be funded at appropriate levels

	FY24	FY25 Budget	Change
SPED Salaries and Stipends	18,893,039.92	19,302,716.88	409,676.96
SPED Instructional Support*	554,757.30	209,575.00	-345,182.30
SPED Special Ed Tuitions	2,563,570.00	4,490,668.12	1,927,098.12
SPED Transportation	3,837,651.27	4,450,000.00	612,348.73
TOTAL Special Education	25,849,018.49	28,452,960.00	2,603,941.51

* Instructional Support budget reduction due to contracted services costs charged to IDEA Grant instead of General Fund. Services have not been reduced



Special Education Services

A proactive, analytical approach to resource allocation in Special Ed has resulted in a number of budget-neutral staffing improvements in FY24

- Reading Specialist WRHS
- Special Ed Teacher
 - Mayo
 - Central Tree
- ABA Teacher Houghton
- BCBA Naquag
- BCBA (.5-1.0) Glenwood
- Psych/Team Chair Mayo (.6 - 1.0)



Considerations / Next Steps



Considerations and Next Steps

- Reconsider School Choice
 - Unclear impact on FY25 revenue
 - \$5,000 per student
- District buildings capital improvement approach
 - \$350,000 WRHS Projects
 - \$150,000 ECC Generator
- Any other reductions would have a direct impact on students



Personnel Impact with Further Reductions

- Personnel Reduction Assumptions
 - $\frac{2}{3}$ Cost Savings
 - 1-3 Years Experience
 - Salary Estimates
 - Average Benefits Package
- Personnel Reduction Projections
 - \$50,000 Teacher
 - \$22,500 Paraprofessional
- Each \$500,000 Reduction Either
 - Elimination 10 Teaching Positions
 - Elimination of 22 Paraprofessionals



FY25 Budget Calendar

- Governor's Preliminary Budget - January 24, 2024
- Business/Finance Sub and Town Officials meeting on first draft budget - February 29, 2024
- Annual Budget Hearing - March 7, 2024
- School Committee budget approval - March 7, 2024
- Meetings with town officials - March, 2024
- Town Meetings (tentative dates):
 - Holden - May 20, 2024
 - Paxton - May 6, 2024
 - Princeton - May 14, 2024
 - Rutland - May 11, 2024
 - Sterling - May 6, 2024



Thank You