Guiding Principles for Budget Development

• To build on the district’s commitment to educational excellence
• To develop and allocate a budget that is aligned with School Committee and District goals for student learning
• To develop a budget that is realistic and sustainable
• To maintain an optimal class size
• To demonstrating fiscal responsibility & transparency
FY19 Key Budget Drivers

• **Revenue Loss:**
  • School Choice
  • Grant funds

• **Compensation:**
  • Contractual Obligations
Historical Look: Proposed Budget vs Actual Budget 5 years

![Bar chart showing proposed vs actual budgets from 2013 to 2018. The proposed budgets are shown in blue, and the actual budgets are shown in red. The chart indicates a generally higher than actual budget for the years 2013 and 2014, with a closer alignment in later years.](chart.png)
Historical Look at Revenue – Includes FY19
FY19 Revenue Loss from FY18: $68,882
## Revenue Loss: Grants

<table>
<thead>
<tr>
<th></th>
<th>Kindergarten Grant</th>
<th>Inclusive Preschool Learning Environment</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY17</td>
<td>$11,200</td>
<td>~$22,900</td>
</tr>
<tr>
<td>FY18</td>
<td>$0</td>
<td>$22,900</td>
</tr>
<tr>
<td>FY19</td>
<td>$0</td>
<td>$11,450</td>
</tr>
</tbody>
</table>
Revenue Loss: School Choice Funds
REVISED DRAFT FY19 BUDGET 4.6%

<table>
<thead>
<tr>
<th>Tier</th>
<th>Revenue (% compared to FY18)</th>
<th>Expenses (% compared to FY18)</th>
<th>Net to Town (% compared to FY18)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level Service</td>
<td>$211,736 (-25%)</td>
<td>$2,087,328 (2.7%)</td>
<td>$1,875,592 (7%)</td>
</tr>
<tr>
<td>2</td>
<td>$211,736 (-25%)</td>
<td>$2,043,906 (0.5%)</td>
<td>$1,832,170 (4.6%)</td>
</tr>
</tbody>
</table>

Initial FY19 Draft Budget Presented to Town on 2/6/18 was 7%
## DRAFT FY19 BUDGET Scenarios

<table>
<thead>
<tr>
<th>Budget Increase</th>
<th>Expenses</th>
<th>Revenue Loss</th>
<th>Overall Increase</th>
<th>Cuts to reach</th>
</tr>
</thead>
<tbody>
<tr>
<td>7%</td>
<td>$54,594</td>
<td>$68,882</td>
<td>$123,475</td>
<td>none</td>
</tr>
<tr>
<td>4.6%</td>
<td>$11,171</td>
<td>$68,882</td>
<td>$80,050</td>
<td>$43,425</td>
</tr>
<tr>
<td>2.01%</td>
<td>($33,618)</td>
<td>$68,882</td>
<td>$35,364</td>
<td>$88,111</td>
</tr>
</tbody>
</table>
Impact of Net 4.6% Budget

Proposed Reductions (totaling about $43,425):

• Adventure Program (Morse Hill)
• After School Subsidy
• One Para-Professional Position
• Field Trip Transportation
• Reduction of Hours for Speech Position to .85
• Reduction of Hours for Library Position to .60
Select Board Request: All Departments 2%

- At the Budget Meeting, the school committee was asked to look at how we could cut to try and reach a Net 2%
- The School Committee cannot support 2% budget as it would negatively impact our school too much
- Many town departments struggle with staying under 2%
Impact of Net 2% Budget

• Another $44,600 worth of cuts, on top of $43,425 already suggested

• Now we’re talking more services and specials (Art/Music/PE)

• Considerations: Unfunded Mandates
  – Out of District Placements
  – IEP requirements
What can we, the Town, do?

• Raise Property Taxes?
  – No 2.5 % override needed
  – Need to be careful of the tax levy ceiling

• Divert funding from CPA? – raise tax, but lower CPA funding

• Increase town revenue – how?!

This is a Town wide issue!
Concerns Going Forward

School View
• Revenue Shortage
• School Choice Utilization
• Out of District Placements
• More cuts?

Select Board / Financial Committee View
• Concerns about reaching Levy Ceiling
• Town Needs a Strategic Plan Developed in Partnership with all Departments
Here’s How You Can Help

• Give us feedback on this budget – your perspective is important and guides the School Committee
• Town wide issue, not just the schools
• Talk to your neighbors about this
• Attend Meetings:
  – Select Board budget meeting on March 6th
  – Town Meeting on Saturday April 28th
• Advocate to State to improve school funding
Thank you!
Average Teacher Salaries*

*http://profiles.doe.mass.edu/statereport/teachersalaries.aspx
% Per Pupil Spending vs Comparable Towns

Per Pupil Expenditure*
*http://profiles.doe.mass.edu/statereport/ppx.aspx

- Amherst-Pelham
- Leverett
- Shutesbury
- Sunderland
- Erving 28

Equations:
- y = 960.59x + 11900
  R² = 0.9607
- y = 538.89x + 15624
  R² = 0.9875
- y = 581.16x + 13765
  R² = 0.7379
- y = 475.4x + 12878
  R² = 0.7585
- y = 21.699x + 13159
  R² = 0.0113