HANOVER PUBLIC SCHOOLS
FY25 Budget 2.0

School Committee Presentation - November 15, 2023

Budget 2.0 Outline

- New slides are headlined in red

- Review data and assumptions used for projections

- NESDEC Special Education Trends Report

- FY 25 Budget 2.0 Summary

- FY25-FY30 Projections

- FY 25 Budget Approval Schedule: Next Steps

- Discussion and Questions

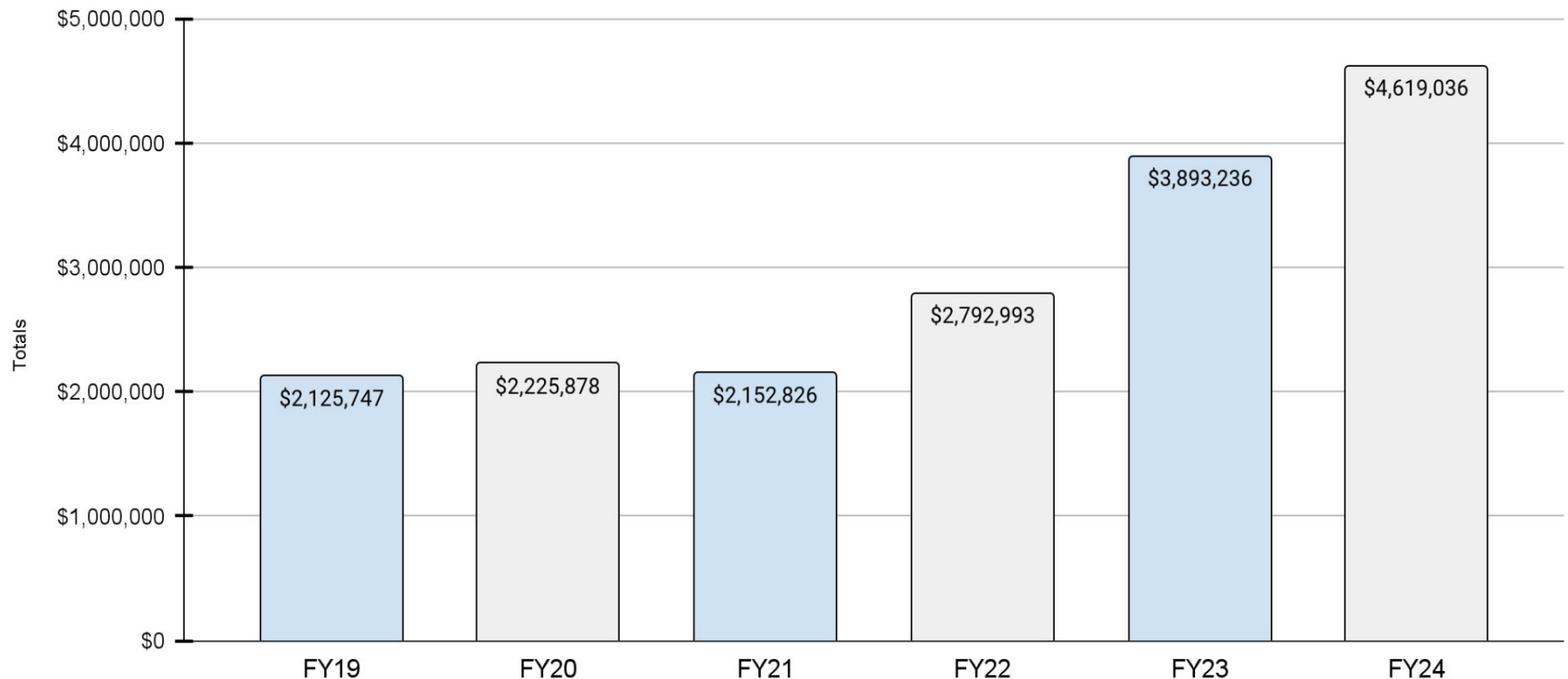# FY25 Budget: Assumptions and Data used for Projections

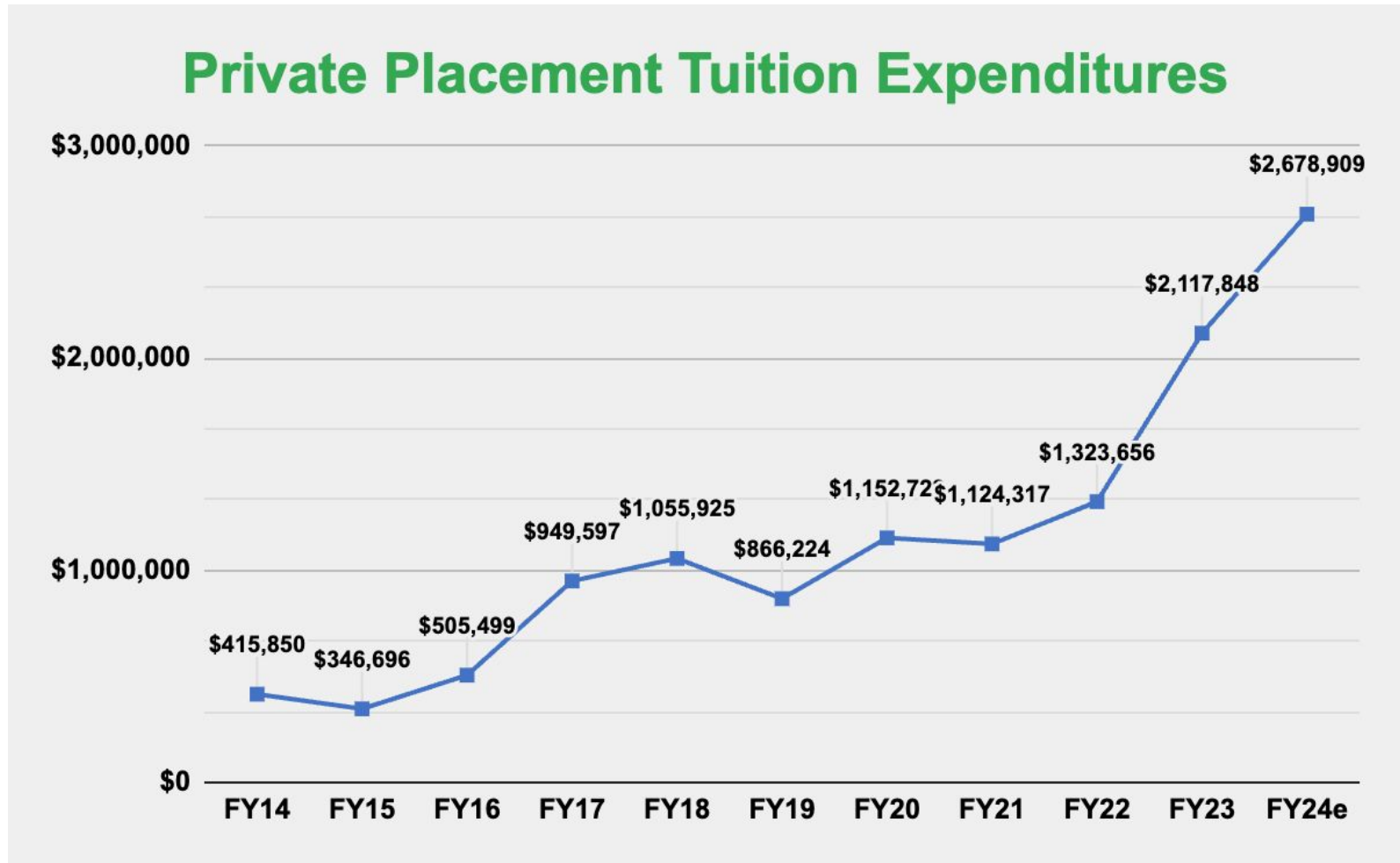| Budget Category	Data Used	Assumptions Used
Staff Salaries	Kettle: Projects salary steps and COLA based on union contracts currently in place	1. Personnel costs will increase 3-4% annually 2. Used 10 years of COLA data to estimate personnel costs 3. All current staff returns in FY25: level service staffing plans
Grants/Circuit Breaker	1. Historical trend data 2. Current expenses for student services	1. Grants will remain fairly flat 2. Circuit Breaker will remain fairly flat base on current trends
Expenses	1. Current tuition and transportation costs 2. Review of cost increases for supplies and services	1. A 10% increase in student services expenses 2. 4% increase on predictable expenses
No Fee Full Day Kindergarten	1. Current salaries for staff paid via the revolving account 2. Historical enrollment trends	1. All current Kindergarten staff will return in FY25 2. Enrollment may increase slightly but will not exceed capacity using current staffing levels

Tuitions/Transportations Expenses as of 10/17/23 Over 200% increase: $2,466,210 since FY21

Out of District Tuition and Transportation Expenses: Post-Covid Trends

- FY19: $2,125,747
- FY20: $2,225,878
- FY21: $2,152,826
- FY22: $2,792,993
- FY23: $3,893,236
- FY24: $4,619,036

NESDEC 2023-2024 Special Education Trend Report

Private Placement Tuition Expenditures

NESDEC 2023-2024 Special Education Trend Report

Average Cost per IEP
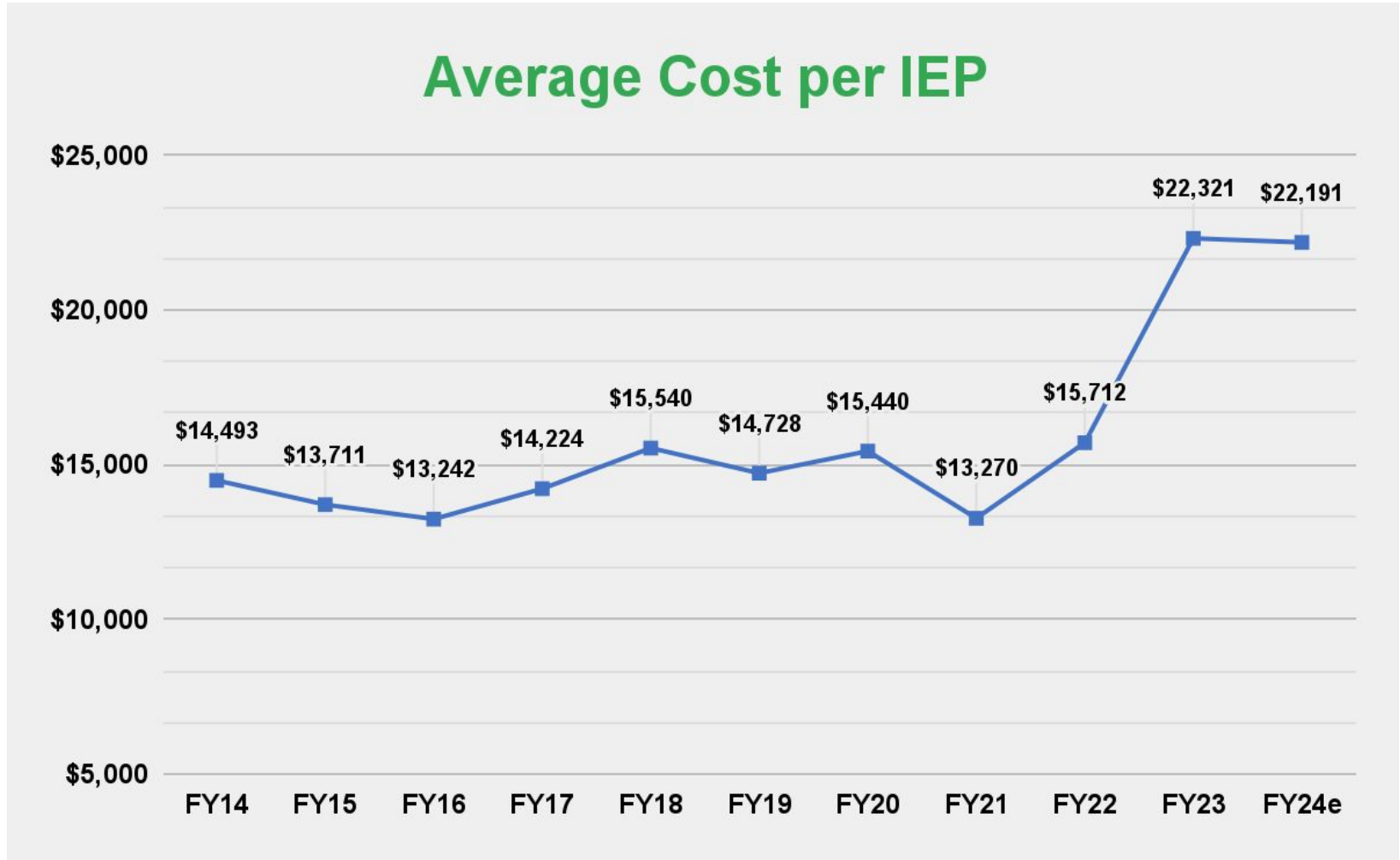
FY25 Level Services Budget

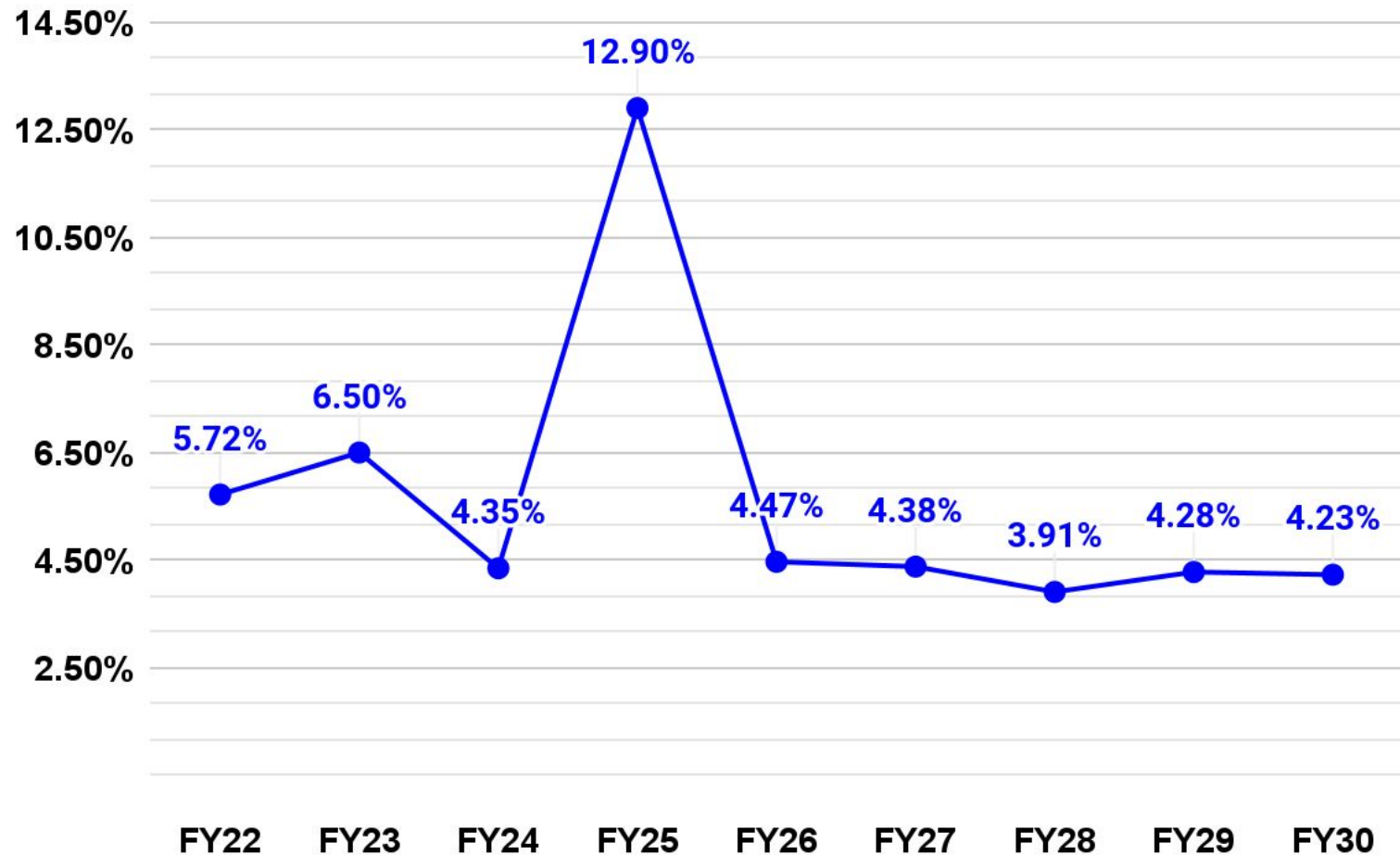| Cost Center	FY24	FY25 Projection	Projected Change	Percentage Change
Operating Budget: Salaries:	$30,002,884	$32,015,399	$2,012,515	6.71%
Operating Budget Expenses	$8,356,317	$9,709,857	$1,353,540	16.20%
Total Salaries & Expenses	$38,359,201	$41,725,256	$3,366,055	8.78%
Circuit Breaker	-$1,347,825	-$1,347,825	$0	
DESE Federal Grants	-$826,837	-$826,837	$0	
Special Education Reserve	-$750,000	$0	$750,000	
ARPA*	-$406,589	$0	$406,589	*
Level Services	$35,027,950	$39,550,594	$4,522,644	12.91%
FY24 Town Allocation	$35,031,299	$39,550,594	$4,519,295	12.90%

FY25-FY30 Level Services Budget Projections

Cost Center	FY25	FY26	FY27	FY28	FY29	FY30
Salaries	$32,015,399	$33,271,182	$34,533,456.26	$35,631,157.20	$36,919,668.24	$38,220,107.21
Expenses	$9,709,857	$10,277,219	$10,882,308	$11,527,807	$12,216,598	$12,951,775
Circuit Breaker & DESE Grants	$2,174,662	$2,229,029	$2,284,754	$2,341,873	$2,400,420	$2,460,430
Budget	$39,550,594.20	$41,319,373.27	$43,131,010.15	$44,817,091.30	$46,735,846.79	$48,711,452.05
Percentage Increase	12.90%	4.47%	4.38%	3.91%	4.28%	4.23%

FY22-FY30 Operating Budget Projections

Line chart of operating budget projections from FY22 to FY30:

Fiscal Year	Amount
FY22	$31,521,915
FY23	$33,571,915
FY24	$35,031,299
FY25	$39,550,594
FY26	$41,319,373
FY27	$43,131,010
FY28	$44,817,091
FY29	$46,735,847
FY30	$48,711,452
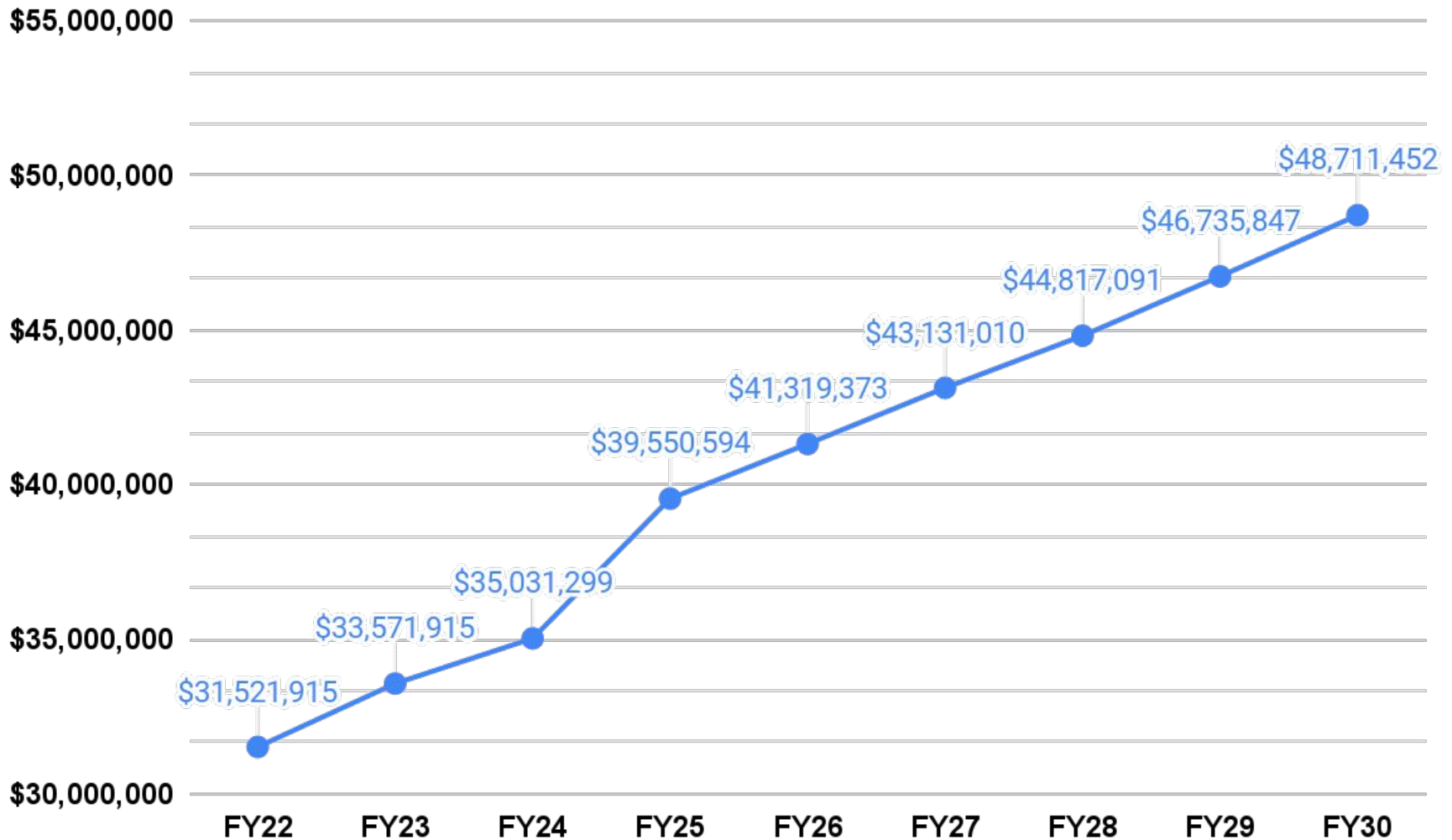
FY22-FY30 Operating Budget Projections

FY22-FY30 Operating Budget Projections

Chart showing operating budget projection percentages:

- FY22: 5.72%
- FY23: 6.50%
- FY24: 4.35%
- FY25: 12.90%
- FY26: 4.47%
- FY27: 4.38%
- FY28: 3.91%
- FY29: 4.28%
- FY30: 4.23%

$522,000 No Fee FDK

$2,350,824

FY25 Funding Gap
- Expense Trends: Student Services
- Loss of Federal Funding
- Eliminates Reserve Funds/Free Cash Articles for Operating Costs

*4.47% Annual Increase $1,518,302
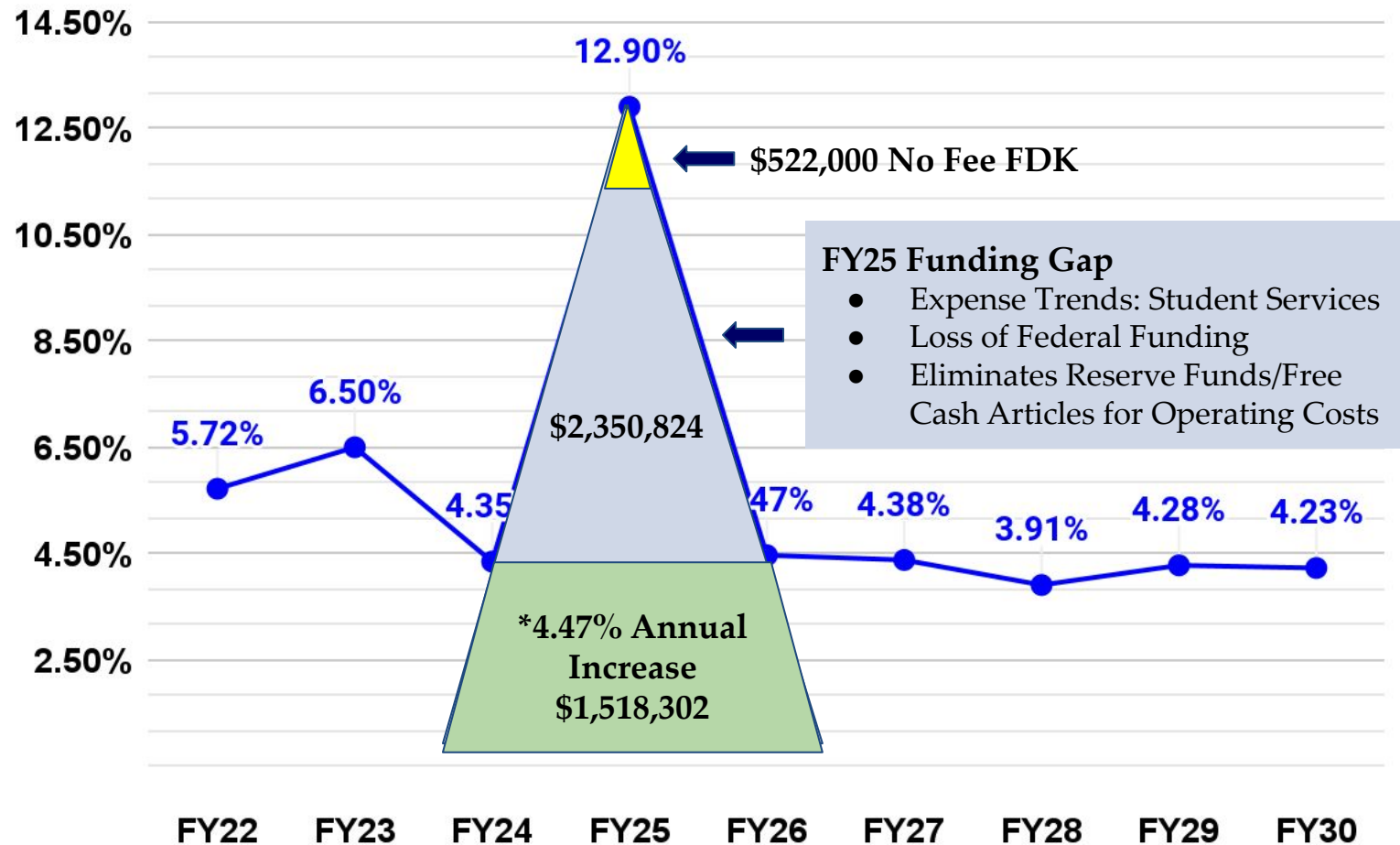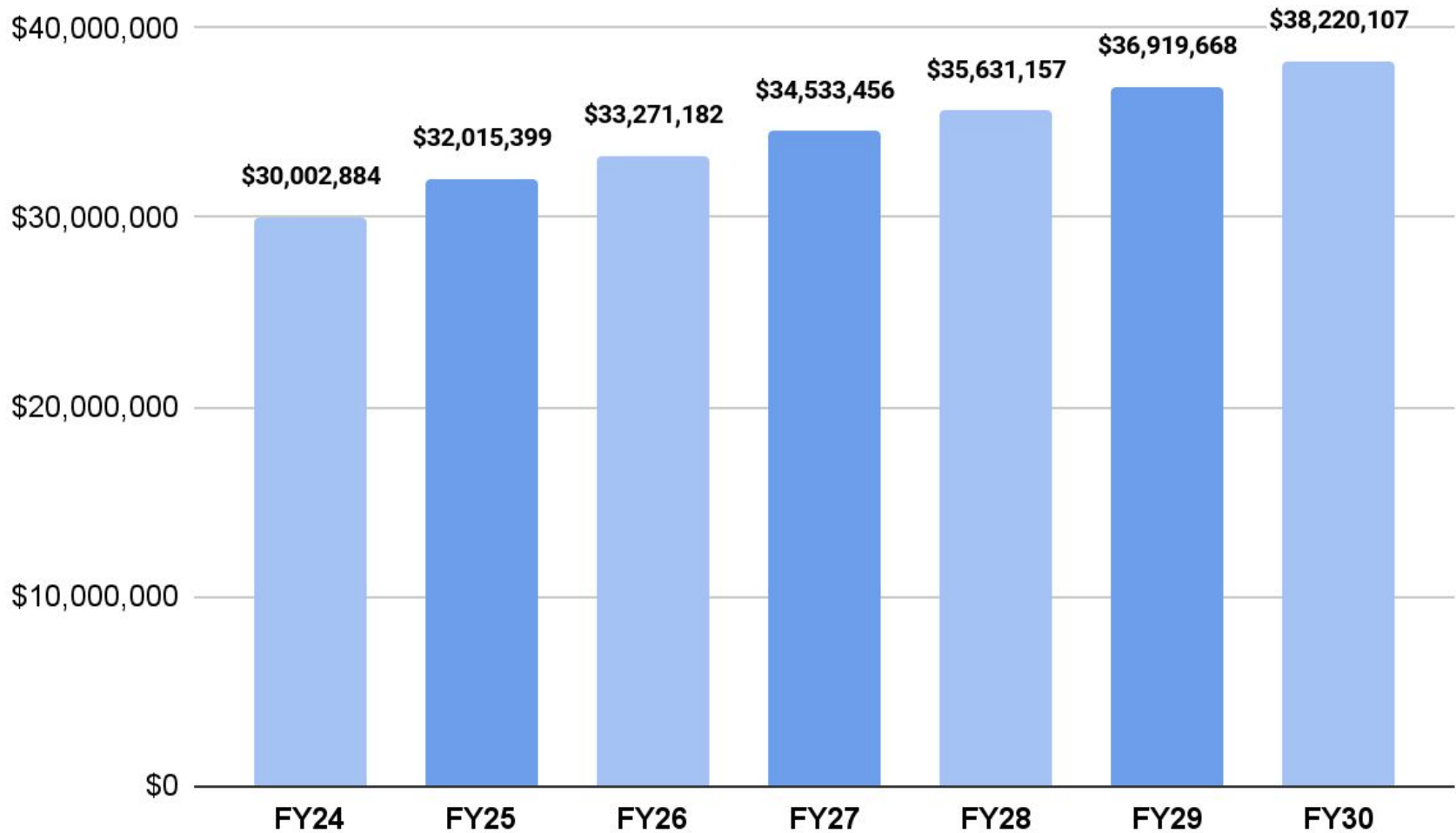
*4.47% Increase represents the average increase FY19-FY24

FY24-FY30 Projected Expense Increases
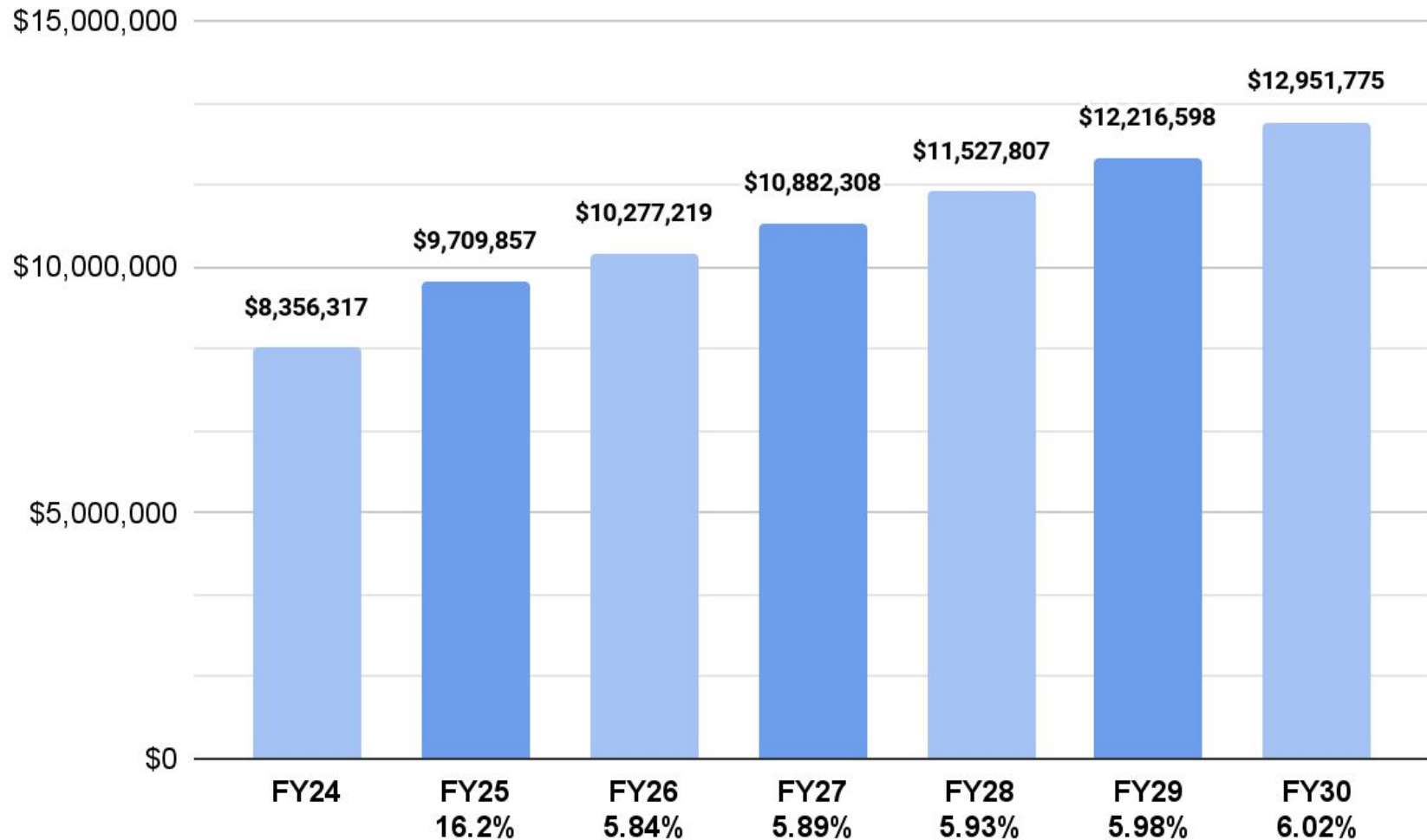
FY24-FY30 Projected Salaries Increases

FY25 Budget Approval Schedule

Meeting Purpose	Date	Scheduled Budget Discussion and Agenda Items
School Committee	Wednesday Oct 11th	FY25 Preliminary School Department Budget presentation to School Committee
School Committee	Wednesday Oct 25th	FY25 School Department Budget 1.0 presentation to School Committee
Select Board	Monday Nov 6th	Town Manager presents preliminary Town Budget to Select Board
School Committee	Wednesday Nov 15th	FY25 School Department Budget 2.0 presentation to School Committee
Town Manager & Superintendent Public Workshop	Wednesday Dec 13th	Budget Workshop: Presentation and Community Feedback
School Committee	Wednesday Jan 3rd	FY25 School Department Budget 3.0 presentation to School Committee and vote
Town Manager Budget due to Select Board	Monday Jan 29th	Town Manager Presentation/Submission of FY25 budget to Select Board

Discussion and Questions