



HANOVER PUBLIC SCHOOLS

FY '19 BUDGET: School Department 1.0



January 24, 2018



Presentation Outline

- Schedule for upcoming meetings (MF)
- Identify budget development variables (MF)
- Budget sustainability (MF)
- Review of FY '18 spending (TR)
- Supporting strategic objectives (TR)
- Key budget drivers: personnel and expenses (TR)
- Consolidated Server Annual Town Meeting Article (TR)
- Budget 1.0 Summary (TR)
- Sustainability (TR)



FY '19 Budget Approval Schedule

Meeting purpose	Date	Scheduled budget discussion and agenda items
School Committee	Jan 24: Wednesday	FY '19 School Department Budget 1.0 presentation to School Committee
Town Manager Budget due to Board of Selectmen	Feb 1: Thursday	Town Manager submits FY '19 budget to Board of Selectmen
School Committee	Feb 7 and 28: Wednesday	Budget: Discussion and preparation of School Department Budget 2.0 and possibly 3.0 following Town Manager's submission
School Committee	Mar 14: Wednesday	Public Budget Presentation Review Budget 4.0 and vote



Variables Impacting Budget Development

- Time. Six months remain in the current school year
- Town's annual financial capacity to support operating budget (property tax levy limit)
- Variability of state aid (Chapter 70)
- Variability of Circuit Breaker (CB) reimbursement rate
- Variability of state and federal grants
- Unknown obligations: special education tuitions and long-term absences, equipment failure, and legal costs



FY '18 Spending Breakdown

Funding Sources for FY '18 (this year)	Balance on July 1, 2017	Projected FY '18 spending	Notes
FY '18 Approved Operating Budget	\$27,165,115	-\$27,165,115	Entire operating budget will be expended
Grant/Revolving Funding	\$1,472,687	-\$1,472,687	Supports Pre K, Kindergarten, Special Ed, and Athletics
Circuit Breaker: FY '17 carry-over and FY '18 allocation	\$836,627	-\$666,166	Special Education Expenses/ Encumbrances to date
Totals	\$29,474,429	-\$29,303,968	Projected spending
Projected Circuit Breaker carry-over to FY '19		\$170,461	Changes on a weekly basis due to expected Special Education Volatility



Level Services Budget Proposal

- FY '19 Budget Proposal is a solid level services budget:
 - Supports our educational and operational needs for FY '19
 - Personnel costs have been adjusted for known retirements
 - Requires support of \$65,000 Annual Town Meeting Article for Consolidated Server
 - Maintains current staffing levels Pre-K – 12
 - Provides limited flexibility to address programming needs in the event of staff turnover and/or unexpected special education costs



Supporting Strategic Objectives

Strategic Need	Description	Budget Impact
1. Transportation	Bids for Transportation are due February 12, 2018. Bid docs provide options for Consolidation of Elementary Schools.	\$63,233
2. Substitute Teachers	Allows for a raise for daily substitute teachers from \$75/day to \$85/day.	\$20,000
3. Professional Development	We have committed to a data driven, strong coaching model with supports focused on student achievement. These funds are focused on Curriculum Writing at HMS and HHS as well as Special Education and Literacy.	\$27,568
4. Technology	In FY '19, technology continues to be a top priority. Continued replacement of outdated equipment and increased personnel needs.	\$77,941



Technology Article

Technology Annual Town Meeting Article	FY '19 Cost
Funds to replace multiple obsolete servers and consolidate into a single server running a current server operating system (i.e. Windows Server 2016) The new server would be able to expand to include additional town department servers to further consolidate once a town-wide network is complete.	65,000
Grand Total	\$65,000



Information Technology Study Committee

Update

Convened on October 12, 2017; November 16, 2017; December 14, 2017
Next Meeting is Thursday, January 25, 2018 at 4pm at HHS

Discussing several needs regarding technology including short term and long term goals:

- Need for a more secure and manageable network infrastructure.
- Need for town-wide Consolidated Server housed at HHS.
- Need for consistent funding to refresh technology on a predictable cycle.
- Need to compile an inventory of all software and services to determine if efficiencies are available.
- Evaluate managed services to possibly find efficiencies and leverage expertise.



FY '18 Budget 1.0 Summary

Cost Center	FY '18 Budget	Projected FY '19	Projected Change
Operating Budget: Salaries	\$23,158,667	\$23,746,571	\$587,904
Operating Budget: Expenses	\$5,198,281	\$5,394,544	\$196,263
Circuit Breaker	(640,000)	(600,000)	\$40,000
240 Grant	(539,833)	(539,000)	\$833
FACE	(12,000)	(12,000)	\$0
SubTotal	\$4,006,448	\$4,243,544	\$237,096
Total Proposed Operating Budget 1.0	\$27,165,115	\$27,990,115	\$825,000 (3.00%)



What if...

We have been asked to provide a list of areas to be considered for budget reductions in the event the town cannot support a 3% budget increase for the School Department. We have not been formally asked to cut from the projected \$825,000 increase. We have been asked to show the areas we would evaluate and consider in the event that cuts are necessary.

Assumptions:

- There would be no reductions to special education services.
- Contractual obligations for salaries and benefits would be met.
- A fair contract settlement for transportation will be complete.
- The passage of Consolidated Server Annual Town Meeting Article.
- Chapter 70, Special Education Grants, and Circuit Breaker will be at least level funded for FY '19.
- That there are three categories of funding opportunities: Revenue, Salaries, and Expenses.



What if...

Increase Revenue	Reduce Salaries	Reduce Expenses
<ul style="list-style-type: none"> • Eliminate Athletic User Fee Family Cap • Increase Athletic User Fees by 25% back to 2014 levels • Introduce Student Activity Fees at HHS • Increase HHS Transportation Fee • Introduce Transportation Fee for Grades 7 and 8 • Increase Full Day Tuition • Increase lunch prices • Introduce Transportation Fee for grades 1-6 for those who live within 1.5 miles 	<ul style="list-style-type: none"> • Do not replace retirements beginning with general education teachers • Reduction in support staff not required to meet IEPs • Eliminate low enrollment courses, including AP • Reduce specialist time with students (Art, Music, PE) • Issue pink slips to all non PTS teachers and strategically reduce positions at each level 	<ul style="list-style-type: none"> • Cut projected substitute rate increase • Reduce Expense budgets by 10% - 30% (30-90K) • Eliminate new funding for technology • Cut Professional Development by 50% • Eliminate Virtual High School • Reject all new equipment requested at all levels (Chromebooks, instruments, replacement furniture, etc.) • Eliminate Massasoit Dual Enrollment Program



Securing Sustainability...

Budget Category	Projected for FY '19	Funding Source	Multi-Year Sustainability Issues
Personnel	\$23,746,571	Local Funding and Chapter 70	Sustainability and growth dependent upon: 1) revenue capacity of Hanover, 2) community value placed on education, 3) increasing levels of state aid (Ch. 70 & CB).
Operating Expenses	\$4,243,544	Local Funding and Chapter 70	Sustainability and growth dependent upon: 1) revenue capacity of Hanover, 2) community value placed on education, 3) increasing levels of state aid (Ch. 70).
Consolidated Server	\$65,000	Special Town Article	Consolidated Server is needed for the security of the network.
Total Grants/ Revolving	\$1,487,591	Grants/User Fees	This funding is subject to volatility related to state, federal, and local economic and political conditions.
Circuit Breaker	\$600,000	State Aid	Over the past three years, these funds have been sustained. Not guaranteed. Only reimbursed at 65% for FY '18.



Discussion and Questions

