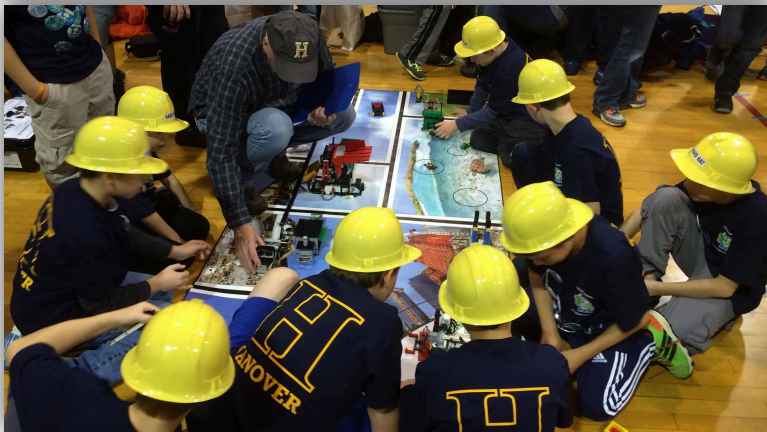


HANOVER PUBLIC SCHOOLS

FY '18 BUDGET: School Department 1.0



January 18, 2017



Presentation Outline

- Schedule for upcoming meetings (MF)
- Identify budget development variables (MF)
- Budget sustainability (MF)
- Review of FY '17 spending (TR)
- Supporting strategic objectives (TR)
- Key budget drivers: personnel and expenses (TR)
- Technology Annual Town Meeting Article (TR)
- Budget 1.0 Summary (TR)
- Sustainability (TR)



FY '18 Budget Approval Schedule

Meeting purpose	Date	Scheduled budget discussion and agenda items
School Committee	Jan 18: Wednesday	FY '18 School Department Budget 1.0 presentation to School Committee
Town Manager Budget due to Board of Selectmen	Feb 1: Wednesday	Town Manager submits FY '18 budget to Board of Selectmen Preview Budget 2.0
School Committee	Feb 15: Wednesday	Budget: Discussion and preparation of School Department Budget 2.0 following Town Manager's submission
School Committee	Mar 8: Wednesday	Public Budget Presentation Review Budget 3.0 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 '17 Spending Breakdown

Funding Sources for FY '17(this year)	Balance on July 1, 2016	Projected FY '17 spending	Notes
FY '17 Approved Operating Budget	\$25,765,115	-\$25,765,115	Entire operating budget will be expended
FY '17 Town Article	\$450,000	-\$450,000	Expended on out-of-district tuitions
Grant/Revolving Funding	\$1,414,867	-\$1,414,867	Supports Pre K, Kindergarten, Special Ed, and Athletics
Circuit Breaker: FY '16 carry-over and FY '17 allocation	\$647,501	-\$647,501	Special Education Expenses/Encumbrances to date
Totals	\$28,277,483	-\$28,277,483	Projected spending
Projected Circuit Breaker carry-over to FY '18		Unknown	Possible extraordinary relief and Chapter 70 Additional Aid



Level Services Budget Proposal

- FY '18 Budget Proposal is a solid level services budget:
 - Supports our educational and operational needs for FY '18
 - Personnel costs have been adjusted for known retirements
 - Requires Annual Town Meeting Article for technology (\$103,000) to support this proposal
 - Maintains current staffing levels Pre-K – 12 including small prioritized increases to support ELL and Technology
 - Provides limited flexibility to address programming needs in the event of staff turnover and/or unexpected special education costs
 - Does not reduce our reliance on the \$500,000 Town Meeting Article for special education tuitions (ongoing liability)



Supporting Strategic Objectives

Strategic Need:	Description	Budget Impact
1. ELL Support	Need to replace tutor support position with certified teacher (non discretionary)	\$20,876
2. Continue Strong Full Day Kindergarten Program.	Effectively supports the Full Day Kindergarten program using Kindergarten Revolving Account Funds.	(\$16,019)
3. Professional Development	We have committed to a data driven, strong coaching model with supports focused on student achievement. We continue our ongoing investment in internal teacher leadership opportunities, ie, ed camp, NRC, SEI/ELL.	\$11,825
4. Technology	In FY '18, technology continues to be a top priority. Continued replacement of outdated equipment and increased personnel needs.	\$84,217



Technology Article

Technology Annual Town Meeting Article	FY '18 Cost
Chromebooks to replace obsolete school staff laptops	\$8,000
Town-Wide WiFi Upgrades	15,580
School Server Replacements/Upgrades	65,000
PC Upgrades for obsolete Town Computers	15,000
Grand Total	\$103,580



Technology – The Future

Projects to be explored over the next 3-5 years

Consolidate town E-mail and web hosting platforms

Install town-wide fiber optic network

Move to automatic refresh of equipment, average fleet age of desktops/servers 6 years, laptops 4 years, tablets 3 years

Update internal network equipment at HHS, reconfigure network to current best practices and town-wide scheme

Eliminate reliance on outside consultant for HFD and HPD



FY '18 Budget 1.0 Summary

Cost Center	FY 2017 Budget	Projected FY 2018	Projected Change
Operating Budget: Salaries	\$21,951,626	\$22,775,396	\$823,770
Operating Budget: Expenses	\$4,942,990	\$5,041,719	
SPED Town Meeting Article	(450,000)	(500,000)	
Circuit Breaker	(647,501)	(500,000)	
Chap 70 FY '17 Additional	0	(140,000)	
SPED Revolving	(20,000)	0	
FACE	(12,000)	(12,000)	
SubTotal	\$3,813,489	\$3,889,719	\$76,230
Total Proposed Operating Budget 1.0	\$25,765,115	\$26,665,115	\$900,000 (3.49%)



Securing Sustainability ...

Budget Category	Projected for FY '18	Funding Source	Multi-Year Sustainability Issues
Personnel	\$22,775,396	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	\$3,889,719	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)
SPED Tuition Funding	\$500,000	Special Town Article	This funding is required to bridge a structural gap in the operating budget needed to support non-discretionary expenses related to special education. This should be migrated into the school department operating budget
Technology: capital needs/equipment	\$103,580	Special Town Article	This funding is required to support the hardware and software needs for both school and town departments. This funding may vary annually to support all technology services
Total Grants/Revolving	\$1,419,571	Grants/User Fees	This funding is subject to volatility related to state, federal, and local economic and political conditions
Circuit Breaker	\$500,000	State Aid	Over the past three years, these funds have been sustained. Not guaranteed.



Discussion and Questions

