

HANOVER PUBLIC SCHOOLS

FY25 Budget 1.0



October 25, 2023



Presentation Outline

- Identify objectives and challenges
- Review of FY 24 spending projections
- Data and assumptions used for projections
- FY 25 Budget 1.0 Summary
- Updated Hierarchy of Funding Model
- FY 25 Budget Approval Schedule: Next Steps
- Discussion and Questions



Objectives for Tonight

- To quantify the funding required to meet a level services budget for the 2024-2025 school year (FY25) - Budget 1.0
- To provide background information on rising costs and non-recurring funding sources post COVID
- To identify the key budget drivers impacting funding - current and future
- Not to provide comparable district data nor propose possible solutions - that is the work ahead which will require collaboration at many levels



Ongoing Challenges: Planning for FY25+

- Time. Eight months remain in the current school year
- Closing out COVID assistance funds to maximize impact
- Evolving technology needs: Hardware replacement and infrastructure
- Unknown obligations: Increases to special education tuitions, transportation, related/contractual services, long-term staff absences, legal costs, contracted services requirements, and mental health supports
- Uncertainty around funding options and strategies for the future



Personnel Trends: Post COVID

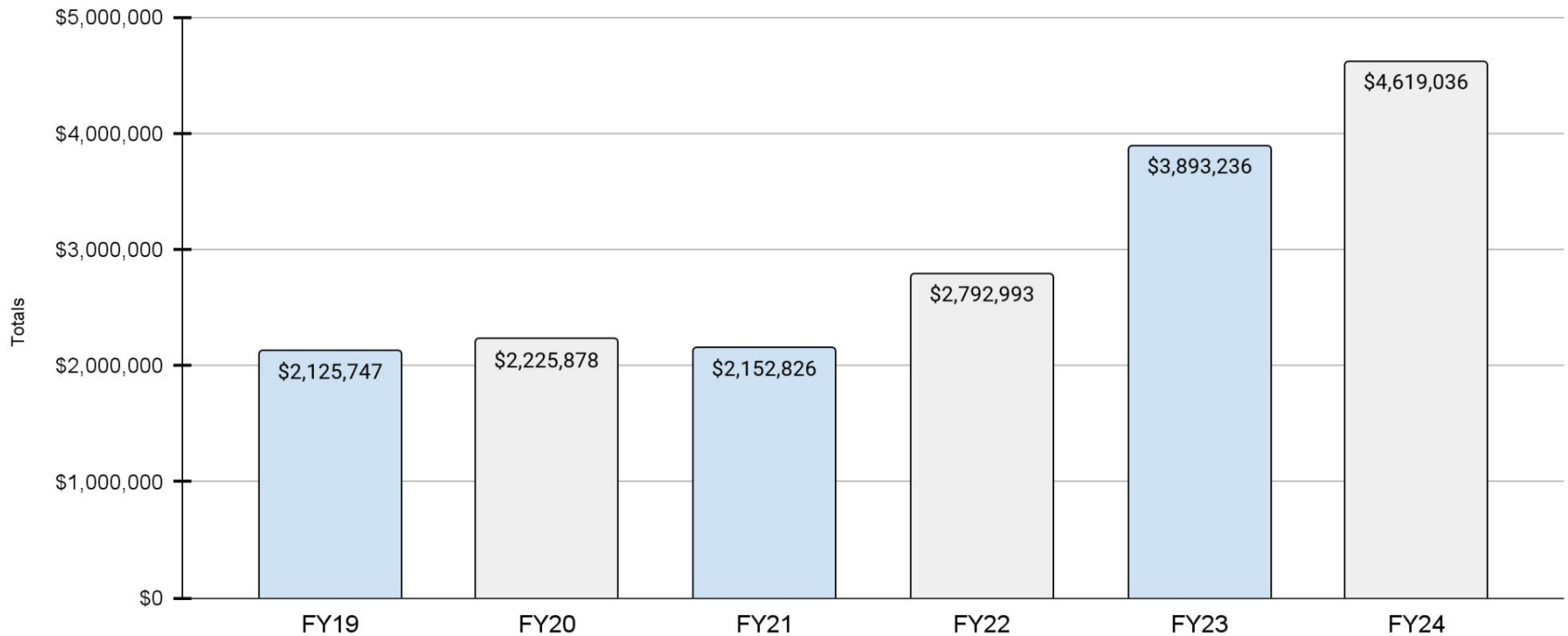
- Administration/Curriculum Leadership:
 - No increase in total administrator positions
 - Regorganized administrator roles/positions to support student services
 - Added Department Heads
- Teachers:
 - No increase in classroom or specialist teachers
 - Increases in reading/special education teachers, speech pathologists, nurses/health support staff, BCBA, and counselors
- Support Staff:
 - Comparable number of positions
 - Very challenging to fill these important positions



Tuitions/Transportations Expenses as of 10/17/23

Over 200% increase: \$2,466,210 since FY21

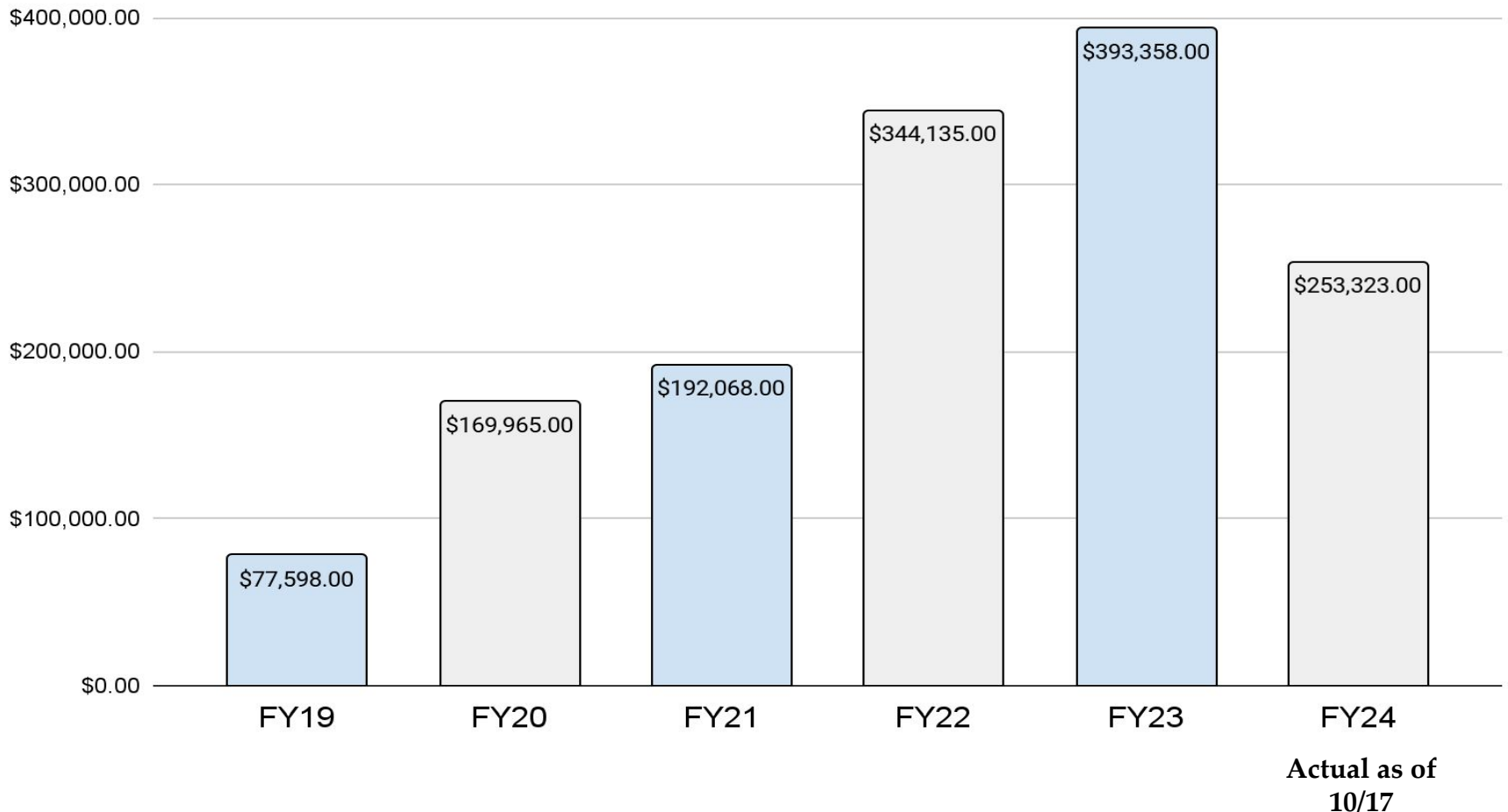
Out of District Tuition and Transportation Expenses: Post-Covid Trends



Programming and Contractual Services as of 10/17/23

Over 200% increase: \$201,290 since FY21

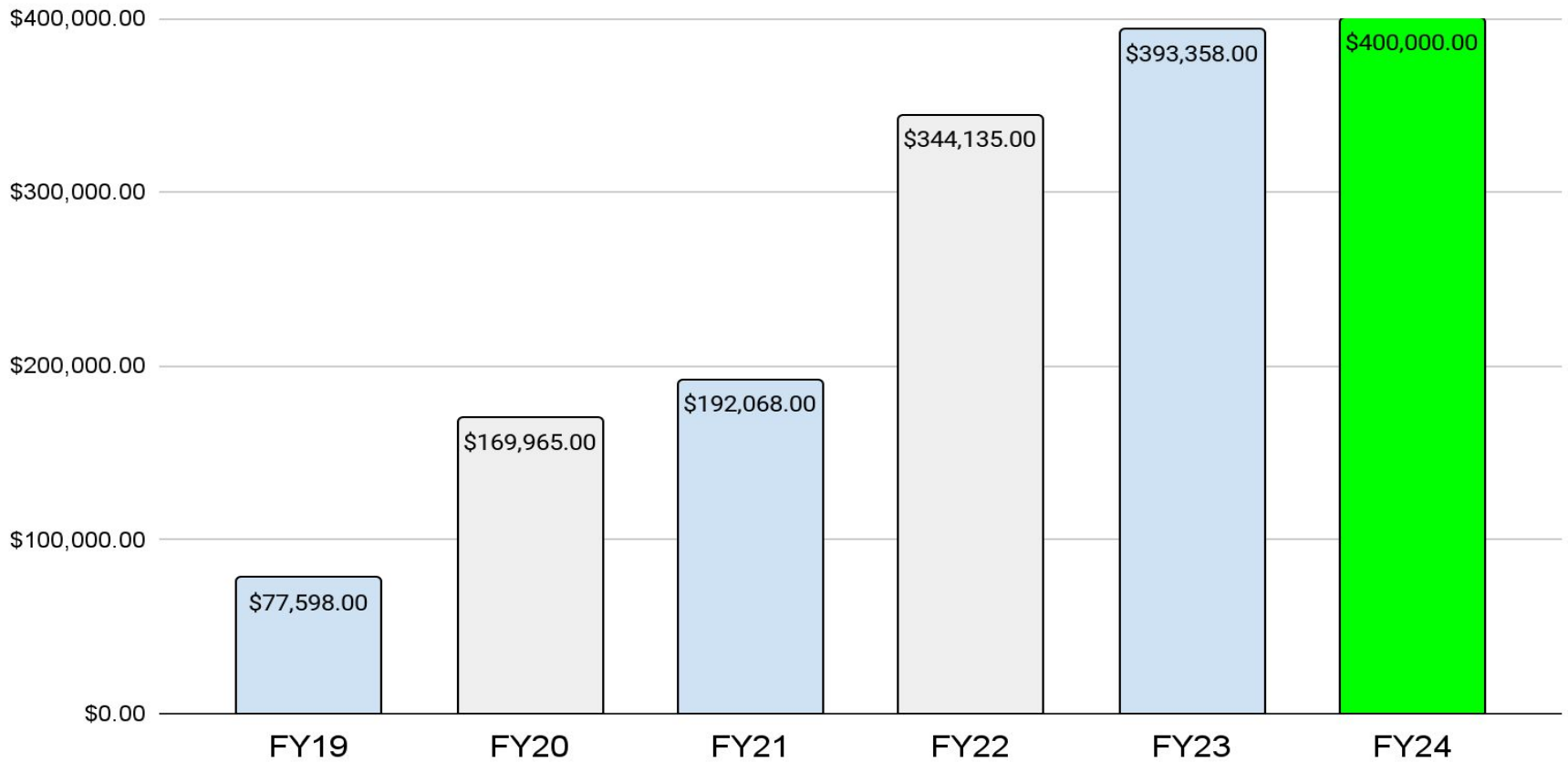
In District Partner Programming and Contractual Services: Post Covid Trends



Projected Programming and Contractual Services

Over 200% increase: \$201,290 since FY21

In District Partner Programming and Contractual Services: Post Covid Trends



Projected FY24
Spending

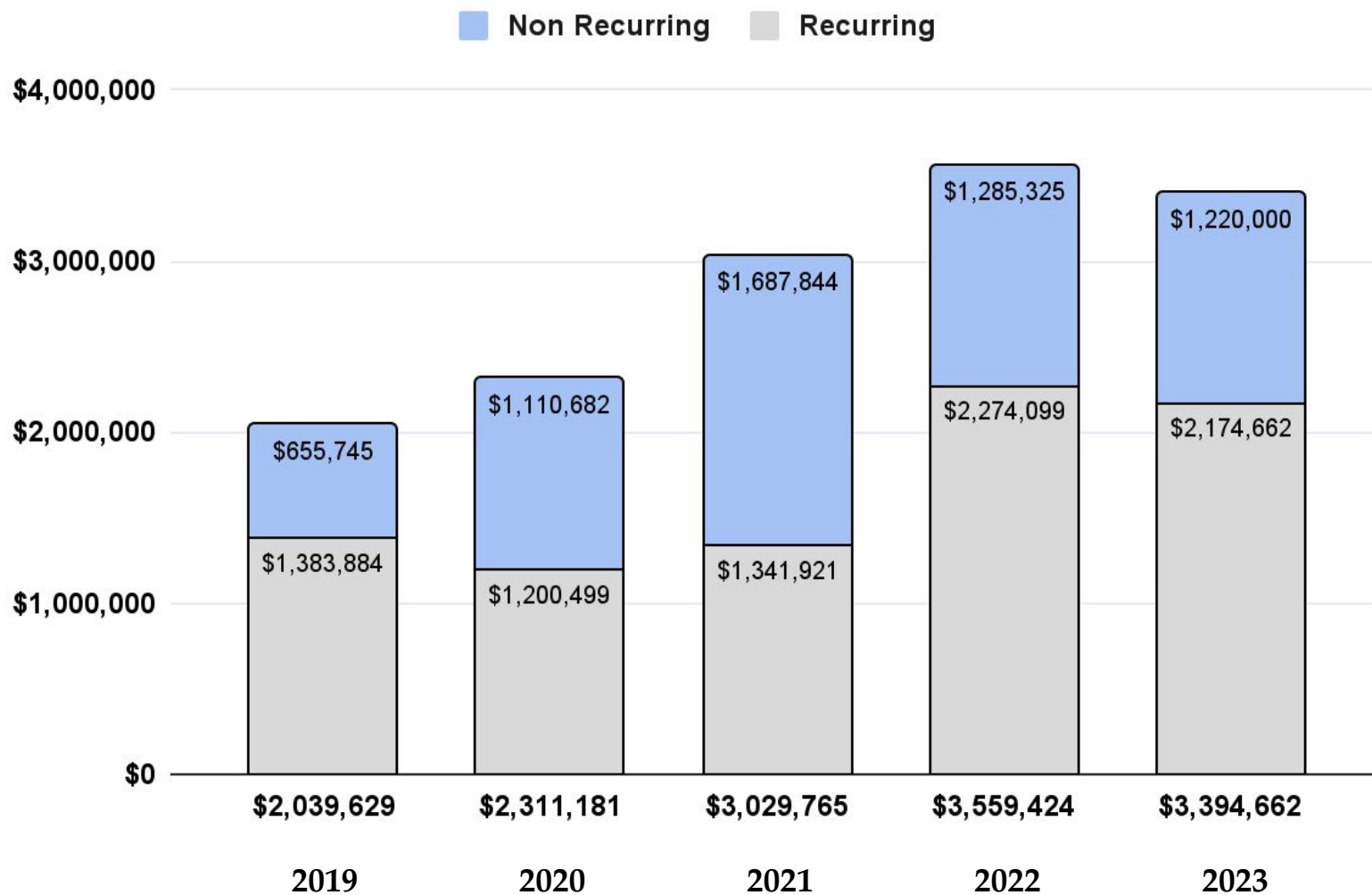


5 Years of Offset Spending

Recurring Offsets (funding sources)					
	FY 20	FY 21	FY 22	FY 23	FY 24
Circuit Breaker	\$634,584	\$440,189	\$549,960	\$1,478,832	\$1,347,825
DESE Federal Grants	\$749,300	\$760,310	\$791,961	\$795,267	\$826,837
Nonrecurring Offsets (funding sources)					
CARES/ARPA	\$255,745	\$510,589	\$759,936	\$125,325	\$470,000
Special Education Reserve	\$400,000	\$350,000	\$350,000	\$510,000	\$750,000
Special Town Meeting Article	0	0	0	\$650,000	0
ESSER and other Federal Grants	0	\$250,093	\$577,908	0	0



5 Years of Offset Spending



FY 25 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	<ol style="list-style-type: none"> 1. Non-union staff will receive a COLA comparable to union contracts 2. Used 10 years of COLA data to estimate certain COLA costs. 3. All current staff returns in FY25: level service staffing plans
Grants/Circuit Breaker	<ol style="list-style-type: none"> 1. Historical trend data 2. Current expenses for student services 	<ol style="list-style-type: none"> 1. Grants will remain fairly flat 2. Circuit Breaker will remain fairly flat base on current trends
Expenses	<ol style="list-style-type: none"> 1. Current tuition and transportation costs 2. Review of cost increases for supplies and services 	<ol style="list-style-type: none"> 1. A 10% increase in student services expenses 2. 4% increase on recurring expenses
No Fee Full Day Kindergarten	<ol style="list-style-type: none"> 1. Current salaries for staff paid via the revolving account 2. Historical enrollment trends 	<ol style="list-style-type: none"> 1. All current Kindergarten staff will return in FY25 2. Enrollment may increase slightly but will not exceed capacity using current staffing levels



Priority Budget Drivers: Updated

Level Services	Description	Budget Impact
Salaries: The increase to the salary budget supports all current personnel: teachers, administrators, and support staff = Level Service	This increase supports contractual agreements for all staff and substitutes covered by the operating budget (includes salaries for full-day Kindergarten)	\$1,880,997
Expenses: The increase to the expense budget supports all current non-personnel costs = Level Service	This increase supports our educational supplies needs, transportation expenses, and known tuition increases	\$922,669*
No Fee Full Day Kindergarten: > Level Services	This increase supports free full day kindergarten	\$522,000

*This number is higher than reported two weeks ago due to a decreased Circuit Breaker reimbursement rate on transportation services.



FY25 Budget Request Submitted to Town Manager on October 20th

Level Services Budget

Salaries (includes salaries for full-day Kindergarten)	\$32,015,399
Expenses	\$9,278,986
Circuit Breaker	\$1,347,825
Federal Grants	\$826,837
Total:	\$39,119,723

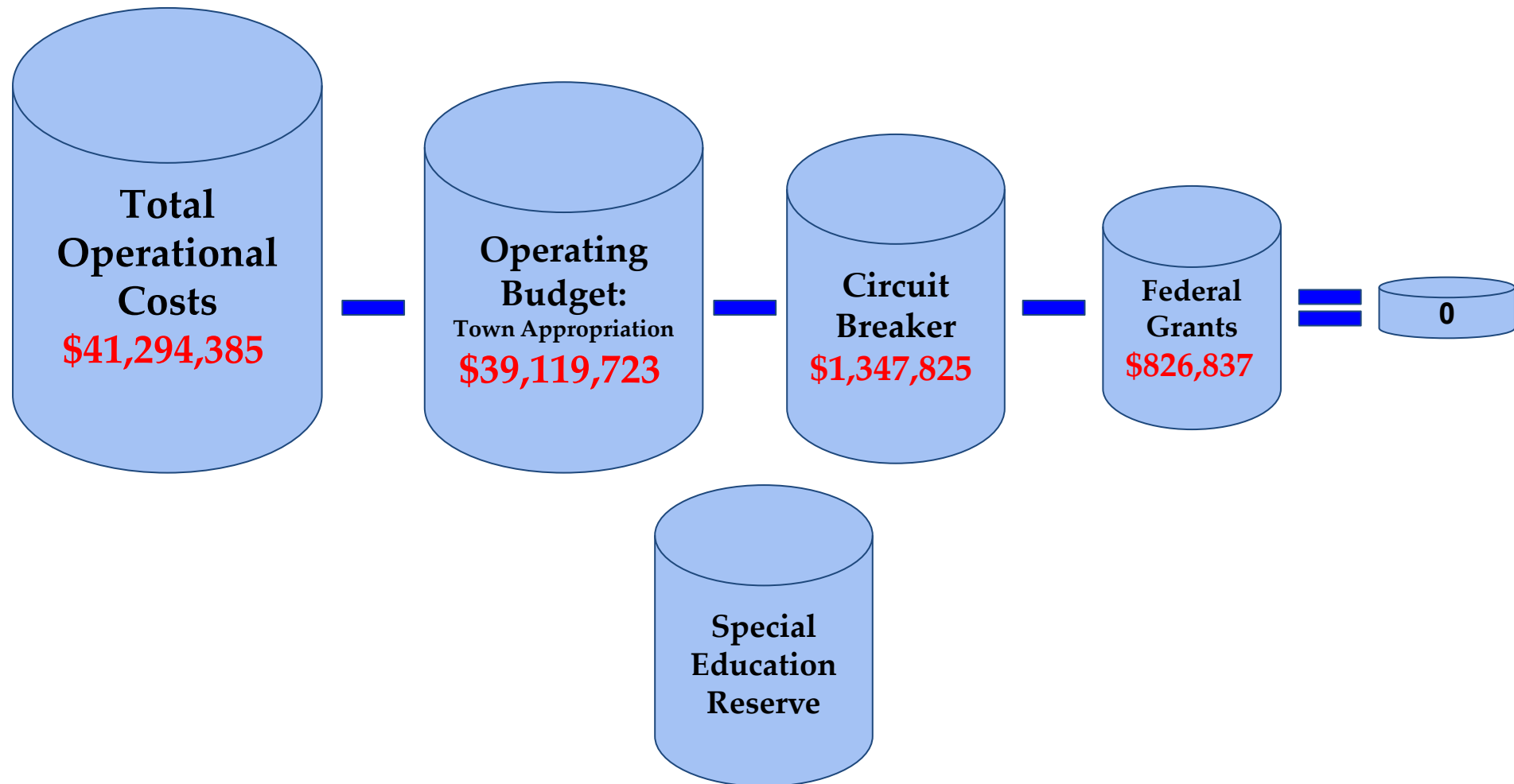


FY 25 Level Services Budget

Cost Center	FY '24 Actual	Projected FY '25	Projected Change
Operating Budget: Salaries:	\$30,134,402	\$32,015,399	\$1,880,997
Program/Personnel Additions:	0	0	0
Operating Budget: Expenses:	\$8,356,317	\$9,278,986	\$922,669
Total Salaries & Expenses:	\$38,490,719	\$41,294,385	\$2,803,667
Circuit Breaker	(\$1,347,825)	(\$1,347,825)	
DESE Federal Grants	(\$826,837)	(\$826,837)	
Special Education Reserve	(\$750,000)	0	\$750,000
ARPA	(\$406,589)	0	\$470,000
			*(\$63,411)
Total Operating Budget 1.0	\$35,159,468	\$39,119,723	\$3,960,255 *11.26%



FY 25 Updated Hierarchy of Funding



FY 25 Budget Approval Schedule

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



What will Budget 2.0 look like?

- Refined estimates of expenses and salaries based on any new information
- Cost projections for the next 5 years based on historic trends
- Comparable district data
- Next steps in community/staff education and engagement
- Discussions on strategic options and possible solutions



Discussion and Questions

