



**HAMILTON-WENHAM
REGIONAL SCHOOL DISTRICT**

*FY17 Superintendent's Budget Recommendation
School Committee Presentation
December 17, 2015*

Prepared by:

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FY17 Budget

Superintendent's Recommendation

Level Service Budget

What Does “Level Service” Mean?

Level Service is a continuation of the current programs, services and staffing of the District.

For FY17, Level Service translates into a spending increase in our Gross Operating Expenses of \$823,421 or 2.81% over the FY16 Budget.



FY17 Budget

Superintendent's Recommendation

Why "Level Service" for FY17?

- *Continued focus on the successful implementation of Priority Initiatives previously approved by the SC*
 - *Middle School Teaming Model (FY16)*
 - *Full Day Kindergarten (FY15)*
 - *HS iPad 1 to 1 Initiative (FY15)*
 - *Elementary Math & ELA Coordinators (FY15)*
 - *District-wide Maintenance Team (FY15)*
- *Prioritize the implementation of the Master Plan in FY17*
 - *Finalizing detailed Plans regarding Programs and Facilities*
 - *Engaging a Design Firm to assist us in the development of these Plans*



FY17 Budget: Level Service

Key Assumptions

- Salary Costs

- Incorporates a 2.5% COLA increase for all personnel.
- Incorporates all other contractual obligations related to changes in compensation (e.g. STEP, Degree changes, and Pay Differentials).
- No new positions.
- Reduction in FTE's of ~4.0 versus FY16 Budget
- Level funding of all Grants as compared to FY16, including SPED, Title I & II.

- Operating Costs

- No new Services.
- No new Programs.
- Level funded the majority of operating account categories.
- Exceptions to level funding include:
 - Transportation costs, including SPED.
 - Out-of-District Tuition Costs
 - Essex Retirement Pension Fund Appropriation
 - Facilities Special Projects



FY17 Budget – Primary Drivers

Level Service Gross Operating Expense Budget

Driver	Impact: FY17B vs FY16B	
	\$	%
All Staff COLAs	\$ 460,000	1.6%
Teacher STEPS	\$ 146,000	0.5%
Teacher Degree Changes	\$ 50,000	0.2%
Essex Retirement Pension Fund Appropriation	\$ 56,000	0.2%
OOD Tuition	\$ 81,000	0.3%
Transportation (Regular and Special Education)	\$ 115,000	0.4%
Facilities Special Projects	\$ 82,500	0.3%
Net All Other Operating Expenses	\$ 158,000	0.5%
Subtotal Increases:	\$ 1,148,500	3.9%
Staff Replacement Cost Savings	\$ (70,000)	-0.2%
FTE Savings	\$ (187,000)	-0.6%
Staff Retirement Replacement Savings	\$ (68,000)	-0.2%
Subtotal Decreases:	\$ (325,000)	-1.1%
TOTALS:	\$ 823,500	2.8%



FY17 Budget – District Totals

Level Service Net Operating Expense Budget

General Fund Operating Expenses						
	FY15 BUD	FY15 ACT	FY16 BUD	FY17 BUD	Difference	
Operating Expense - Gross, before offests & Overlays	\$ 28,420,061	\$ 28,481,864	\$ 29,343,112	\$ 30,166,532	\$ 823,421	2.81%
Expense Offsets						
	FY15 BUD	FY15 ACT	FY16 BUD	FY17 BUD	Difference	
<i>Recurring Offsets</i>						
School Choice	\$ 550,000	\$ 546,819	\$ 425,000	\$ 375,000	\$ (50,000)	-11.8%
KDG Tuition	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Preschool Tuition	\$ 30,000	\$ 37,367	\$ 30,000	\$ 37,500	\$ 7,500	25.0%
Special Needs Tuition	\$ 30,200	\$ 30,017	\$ 69,010	\$ 35,000	\$ (34,010)	-49.3%
Facilities Rental	\$ 2,000	\$ 1,989	\$ 2,000	\$ 2,000	\$ -	0.0%
Circuit Breaker Offset	\$ 375,000	\$ 445,000	\$ 487,500	\$ 567,000	\$ 79,500	16.3%
	\$ 987,200	\$ 1,061,192	\$ 1,013,510	\$ 1,016,500	\$ 2,990	0.3%
<i>One-Time Offsets</i>						
Other Revolving Accounts	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Total Offsets	\$ 987,200	\$ 1,061,192	\$ 1,013,510	\$ 1,016,500	\$ 2,990	0.3%
NET OPERATING BUDGET	\$ 27,432,861	\$ 27,420,672	\$ 28,329,602	\$ 29,150,032	\$ 820,431	2.90%



FY17 Budget – District Totals

Level Service Net Assessment Budget

Total Expenses						
	FY15 BUD	FY15 ACT	FY16 BUD	FY17 BUD	Difference	
General Operating Expense (Before Offsets)	\$ 28,420,061	\$ 28,481,864	\$ 29,343,112	\$ 30,166,532	\$ 823,421	2.81%
Expense Offsets	\$ 987,200	\$ 1,061,192	\$ 1,013,510	\$ 1,016,500	\$ 2,990	0.30%
General Operating Expenses (After Offsets)	\$ 27,432,861	\$ 27,420,672	\$ 28,329,602	\$ 29,150,032	\$ 820,431	2.90%
Debt Service Expense	\$ 1,970,392	\$ 1,970,392	\$ 1,993,488	\$ 2,129,250	\$ 135,763	6.81%
TOTAL EXPENDITURES	\$ 29,403,253	\$ 29,391,064	\$ 30,323,089	\$ 31,279,282	\$ 956,193	3.15%

Total Funding Sources						
	FY15 BUD	FY15 ACT	FY16 BUD	FY17 BUD	Difference	
<i>Revenues</i>						
Chapter 70-Base Aid	\$ 3,413,341	\$ 3,413,341	\$ 3,413,341	\$ 3,457,966	\$ 44,625	1.3%
MSBA Debt Service Reimbursement	\$ 1,132,065	\$ 1,132,065	\$ 1,132,065	\$ 1,132,065	\$ -	0.0%
State Transportation Reimbursement	\$ 290,000	\$ 290,000	\$ 290,000	\$ 331,304	\$ 41,304	14.2%
Medicaid Reimbursement	\$ 85,000	\$ 82,767	\$ 85,000	\$ 85,000	\$ -	0.0%
Interest Income	\$ 4,000	\$ 2,880	\$ 4,000	\$ 4,000	\$ -	0.0%
Prior Year Unexpended Encumbrances	\$ -	\$ 13,217	\$ -	\$ -	\$ -	#DIV/0!
Other Non-recurring Income	\$ -	\$ 7,502	\$ -	\$ -	\$ -	#DIV/0!
Total Revenues	\$ 4,924,406	\$ 4,941,772	\$ 4,924,406	\$ 5,010,335	\$ 85,929	1.7%
<i>Transfers In From Other Funds</i>						
Excess and Deficiency	\$ -	\$ -	\$ 395,781	\$ 555	\$ (395,226)	-99.9%
Total Transfers	\$ -	\$ -	\$ 395,781	\$ 555	\$ (395,226)	-99.9%
Total Funding Sources	\$ 4,924,406	\$ 4,941,772	\$ 5,320,187	\$ 5,010,890	\$ (309,297)	-5.8%
Total Expenditures	\$ 29,403,253	\$ 29,391,064	\$ 30,323,089	\$ 31,279,282	\$ 956,193	3.2%
Less Total Funding Sources	\$ 4,924,406	\$ 4,941,772	\$ 5,320,187	\$ 5,010,890	\$ (309,297)	-5.8%
NET ASSESSMENT including Debt Service	\$ 24,478,847	\$ 24,449,292	\$ 25,002,902	\$ 26,268,392	\$ 1,265,490	5.1%

Total Town Assessments						
	FY15 BUD	FY15 ACT	FY16 BUD	FY17 BUD	Difference	
Hamilton	\$ 16,867,884	\$ 16,867,884	\$ 16,991,972	\$ 17,494,749	\$ 502,777	3.0%
Wenham	\$ 7,610,963	\$ 7,610,963	\$ 8,010,930	\$ 8,773,643	\$ 762,713	9.5%
NET ASSESSMENT including Debt Service	\$ 24,478,847	\$ 24,478,847	\$ 25,002,902	\$ 26,268,392	\$ 1,265,490	5.1%



5 Year Capital Improvement Plan

Key Assumptions

- **Time Frame:**
 - Covers the Five (5) Fiscal Years beginning with FY17 and ending with FY21.
- **Scope:**
 - Facilities & Grounds
 - Technology
 - Food Service
 - Athletics
 - Master Plan
- **Definition:**
 - Tangible Assets that cost at least \$10,000 and have a useful life of at least 5 years.
- **Funding Sources:**
 - For FY17, it is assumed that the eight (8) capital items (**in green**) being recommended for FY17 will be funded through the District's Operating Budget.
 - For FY18 and beyond, funding sources have not been specifically identified and may include but are not limited to Capital Exclusions, Debt Exclusions, Overrides, Grants, MSBA, Donations, as well as the District's Operating Budget.



5 Year Capital Improvement Plan

Covering FY17 – FY21

Project	Location	Total Est Cost	FY17	FY18	FY19	FY20	FY21
New Roof	HS	3,000,000	-	-	-	-	3,000,000
Building Energy Management System	HS / MS	125,000	-	125,000	-	-	-
Building Energy Management Systems	Elem Schools	210,000	-	-	210,000	-	-
Replace Recalled Sprinkler Heads	HS / MS	37,500	-	18,750	18,750	-	-
Replace Classroom Sinks & Countertops	Elem Schools	45,000	-	-	15,000	15,000	15,000
Replace Hot Water Heater	HS / MS	100,000	100,000	-	-	-	-
Waste Water Treatment Plant Upgrades	District	TBD	-	-	-	-	-
Repair, refinish & reline Gymnasium Floors	District	60,000	-	30,000	30,000	-	-
Building Fire Suppression System (Install by 8/31/2018)	Win	600,000	-	600,000	-	-	-
Rekey School Buildings (Exterior & Interior)	District	15,000	15,000	-	-	-	-
Install Keyless Entryway Swipecard Systems	District	35,000	-	35,000	-	-	-
Install Exterior Surveillance Cameras	District	30,000	-	30,000	-	-	-
Interior Classroom & Hallway Painting	Cut & Buk	60,000	-	-	30,000	30,000	-
Replace Carpets	Cut	15,000	-	15,000	-	-	-
Classroom Shades	Cut, Buk, HS & MS	135,000	-	15,000	25,000	60,000	35,000
Emergency Generator	Buk & Admin Bldg	40,000	-	40,000	-	-	-
Autoscrubbers (4) & Floor Burnishers (2)	District	80,000	10,000	15,000	25,000	15,000	15,000
Replace flooring in HS Fitness Center	HS	15,000	-	15,000	-	-	-
Equipment for HS Fitness Center	HS	17,000	-	17,000	-	-	-
iPads for Students on Scholarship and F&RL	District	87,500	17,500	17,500	17,500	17,500	17,500
Classroom Hardware Refresh 4 year cycle (iPads)	District	301,000	-	63,000	105,000	70,000	63,000
Classroom Hardware Refresh 7 year cycle (Laptops & Labs)	District	295,785	-	80,950	68,450	92,430	53,955
Classroom Chromebooks 4 year cycle	District	36,000	-	18,000	-	18,000	-
Classroom Chromebooks (MRMS New)	District	18,000	-	18,000	-	-	-
Install / Upgrade Wireless Access Points including wiring	District	96,918	46,998	-	-	49,920	-
Replace Phone System with new VoIP System	HS / MS	47,000	-	47,000	-	-	-
Install Server Room Ductless Mini-split AC System	District	12,500	12,500	-	-	-	-
Replace Backup Server / Services	District	52,000	-	52,000	-	-	-
Replace VMWare Server and Licenses	District	113,000	-	-	113,000	-	-
Replace Network Area Storage Arrays	District	207,000	-	-	-	207,000	-
Replace Network IDF	District	72,000	-	-	-	-	72,000
Replace Classroom SMARTBoards, Projectors, etc	District	386,116	60,476	162,820	162,820	-	-
Upgrade Auditorium Theatrical Electrical Systems & Controls	HS	75,000	-	75,000	-	-	-
Auditorium HD Projector, Projection Screen & Monitors	HS	50,000	-	50,000	-	-	-
Kitchen Equipment	District	373,576	-	43,628	149,597	115,107	65,243
Turf Fields	District	TBD	-	-	-	-	-
Architect & Design Fees (Master Plan)	District	50,000	50,000	-	-	-	-
Classroom Furniture (Master Plan)	District	800,000	-	800,000	-	-	-
HS/MS Library Media Center Renovation (Master Plan)	HS / MS	1,000,000	-	-	1,000,000	-	-
MS Maker Spaces Renovation (Master Plan)	MS	300,000	-	-	-	300,000	-
Elementary Library Media Center Renovations (Master Plan)	Elem Schools	300,000	-	-	-	300,000	-
Totals:		\$ 9,292,895	\$ 312,474	\$ 2,383,648	\$ 1,970,117	\$ 1,289,957	\$ 3,336,698



FY17 Budget

Timeline & Next Steps

- December 17, 2015: Superintendent's FY17 Budget Recommendation
- December 21, 2015: Superintendent's FY17 Budget Recommendation Book Distributed
- January 7, 2016: FY17 Budget Discussion Continued
 - General Discussion including Revenue Sources, Expense Offsets, Primary Cost Drivers, etc.
 - Introduction to 5 Year Capital Improvement Plan
 - School Committee Adopts Tentative FY17 Budget
- January 8, 2016: Mail Tentative FY17 Budget to Towns
- January 21, 2016: Public Hearing on School Committee's FY17 Budget
- January 21, 2016: FY17 Budget Discussion Continued
 - Maintenance & Facilities
 - Athletics
 - Technology
- January 28, 2016: FY17 Budget Meeting #2 with Town Officials
- February 4, 2016: FY17 Budget Discussion Continued
 - Special Education
 - 5 Year Capital Improvement Plan
 - 3 Year Forecast Model (FY17 – FY19)
- February 11, 2016: FY17 Budget Discussion Concluded
- February 11, 2016: School Committee votes to Adopt FY17 Budget
- April 2, 2016: Hamilton and Wenham Annual Town Meetings