



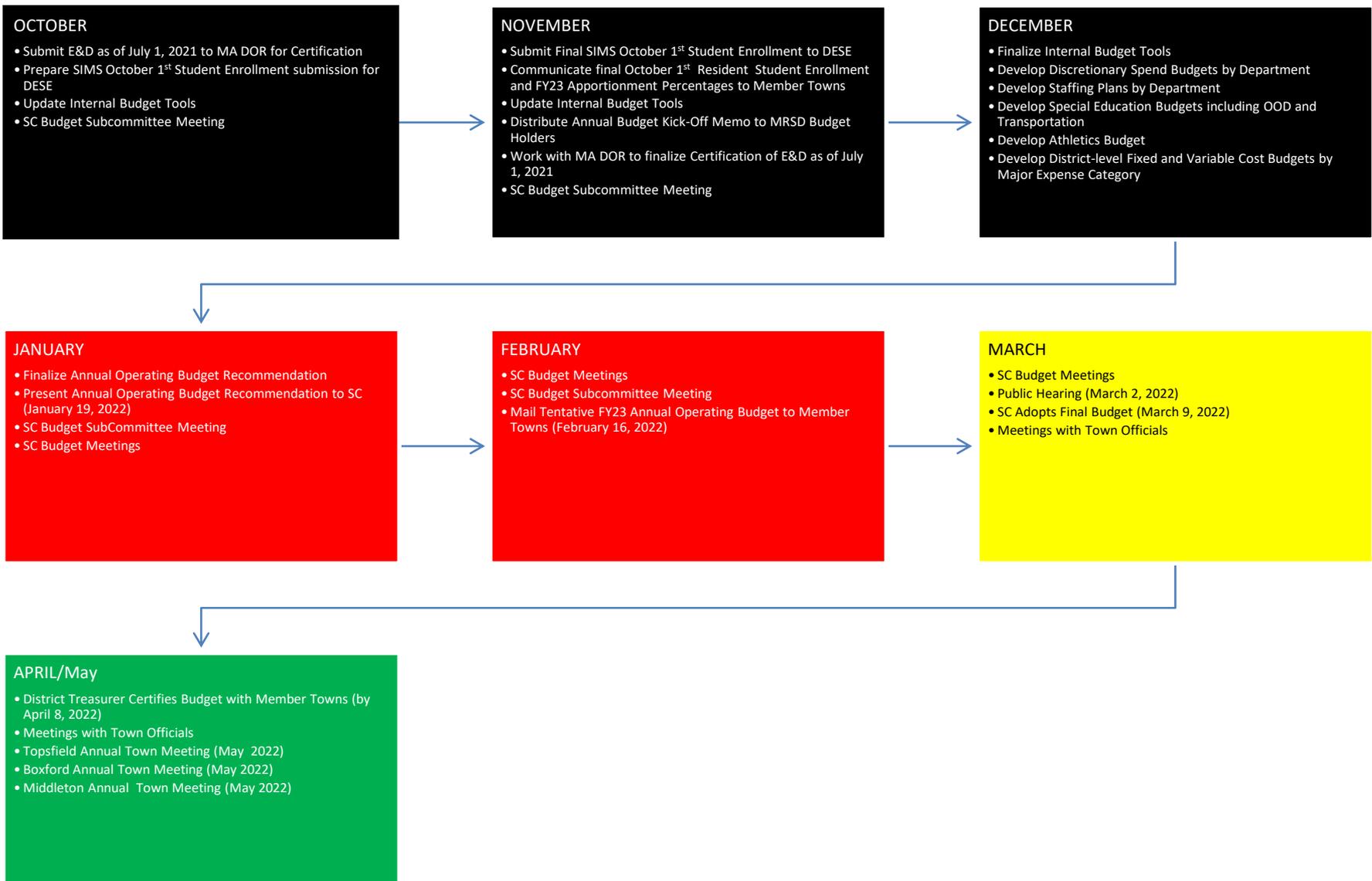
*FY23 Superintendent's Budget Recommendation  
School Committee Presentation  
January 19, 2022*

Prepared and Presented by:

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# MRSD FY23 Budget Process Overview





# FY23 Budget

## *Superintendent's Recommendation*

Level Service with a minor adjustment to our Staffing Model.

The ESSER III Grant (\$1.35M) will be highly leveraged to provide the necessary additional supports from both an educational and operational perspective.

### What Does “Level Service” Mean?

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

For FY23, our Recommendation reflects an increase in Operating Expenses of \$862,684 (or 2.3%) and an increase of \$889,983 (or 3.0%) in Operating Assessment versus the FY22 Budget.



# FY23 Budget

## *Key Assumptions - Highlights*

- **Revenues**

- Chapter 70, Transportation Reimbursement, and Charter School Tuition Reimbursement reflect Final FY22 Cherry Sheet figures. Our Recommendation will be updated once Preliminary FY23 Cherry Sheets are provided in late January 2022.
- MSBA Debt Service Reimbursement of \$1,291,498 is unchanged as compared to FY22. Of note is the fact that FY23 represents the final scheduled reimbursement from the MSBA.
- Excess & Deficiency reflects the anticipated amount to be Certified by MA DOR which exceeds 4% of the district's operating & capital budget for the succeeding fiscal year.
- Fund Transfers In have been reduced by \$137,500 to reflect our recommendation to reduce ALL Athletic and Co-Curricular Fees by 25% beginning in FY23.

- **Salary Costs**

- Incorporates placeholder salary and stipend increases for successor Teacher, Paraprofessional, MPFT, Professional Administrator, and Support Staff CBAs. All have either expired or are set to expire by June 30, 2022.
- Incorporates placeholders for all other contractual salary obligations in all CBAs (e.g. STEPs and Degree Changes).
- Incorporates anticipated Staff Retirement Replacement salary savings where appropriate.
- Includes a recommendation to increase Teacher Staffing by 0.4 FTE (HS/MS Drama).

*NOTE: FY23 Preliminary Cherry Sheets and FY23 Preliminary Chapter 70 Aid and Net School Spending Requirements will be used to update our Recommendation once released.*



# FY23 Budget

## *Key Assumptions - Highlights*

- **Operating Costs**
  - No new Services or Programs.
  - Incorporates all Level Service Discretionary expense requests from Principals, Department Heads, and Operational Unit Directors.
  - Incorporates contractual service contract increases (e.g. Transportation and Janitorial).
  - Includes an increase in the appropriation from the Essex Regional Retirement Board.
  - Includes all known OOD Placements (Tuitions) and related OOD Transportation Costs.
  - Integrates other Special Education expenses based on projected student needs.
  - Includes a placeholder increase of 2.5% for Healthcare and Dental Premiums (Active and Retired Employees).
  - Assumes that there will not be a continuation of the FY22 one-month Health and Dental Premium Holiday (\$275,000) for Active Employees.
  - School Choice & Charter School Sending Tuition Expense charges reflect Final FY22 Cherry Sheet figures. Our Recommendation will be updated once Preliminary FY23 Cherry Sheets are provided in late January 2022.

NOTE: FY23 Preliminary Cherry Sheets and FY23 Preliminary Chapter 70 Aid and Net School Spending Requirements will be used to update our Recommendation once released.

# FY23 Budget – Assessment Overview

Total Expenditures		<i>Adopted FY20</i>	<i>Adopted FY21</i>	<i>Adopted FY22</i>	<i>Proposed F23</i>	<i>Chg \$</i>	<i>Chg %</i>
	General Operating Expenses (before Offsets)	36,065,385	37,536,315	38,530,480	39,779,145	1,248,665	3.2%
	Less Expense Offsets	1,376,118	1,675,330	1,809,991	2,195,972	385,981	21.3%
	General Operating Expenses (after Offsets)	34,689,267	35,860,985	36,720,489	37,583,173	862,684	2.3%
	Debt Service Expense	2,368,200	1,587,250	1,582,000	792,750	(789,250)	-49.9%
	<b>Total Expenditures</b>	<b>\$37,057,467</b>	<b>\$37,448,235</b>	<b>\$38,302,489</b>	<b>\$38,375,923</b>	<b>\$73,434</b>	<b>0.2%</b>
Total Funding Sources		<i>Adopted FY20</i>	<i>Adopted FY21</i>	<i>Adopted FY22</i>	<i>Proposed FY23</i>	<i>Chg \$</i>	<i>Chg %</i>
<b>State Aid</b>							
	Chapter 70	\$5,182,999	\$5,254,659	\$5,253,339	\$5,253,339	\$0	0.0%
	Transportation Reimbursement	630,388	633,886	588,428	688,867	100,439	17.1%
	MSBA Debt Service Reimbursement	1,291,498	1,291,498	1,291,498	1,291,498	0	0.0%
	Charter School Tuition Reimbursement	10,255	4,444	12,385	1,876	(10,509)	-84.9%
<b>Local Receipts</b>							
	Interest Income	64,000	60,000	48,000	12,000	(36,000)	-75.0%
	Fees Collected	34,000	34,000	34,000	34,000	0	0.0%
	Miscellaneous Receipts	20,000	10,000	10,000	10,000	0	0.0%
	Excess and Deficiency	0	199,131	361,567	451,651	90,084	24.9%
	Fund Transfers In	645,278	724,155	747,901	566,655	(181,246)	-24.2%
<b>Federal Aid</b>							
	Medicaid Reimbursement	55,000	30,000	24,000	33,933	9,933	41.4%
	E Rate Reimbursement	2,000	0	0	0	0	#DIV/0!
	<b>Total Funding Sources</b>	<b>\$7,935,418</b>	<b>\$8,241,773</b>	<b>\$8,371,118</b>	<b>\$8,343,819</b>	<b>(\$27,299)</b>	<b>-0.3%</b>
Net Assessment including Deb Service		<i>Adopted FY20</i>	<i>Adopted FY21</i>	<i>Adopted FY22</i>	<i>Proposed FY23</i>	<i>Chg \$</i>	<i>Chg %</i>
	Total Expenditures	37,057,467	37,448,235	38,302,489	38,375,923	73,434	0.2%
	Less Total Funding Sources	(7,935,418)	(8,241,773)	(8,371,118)	(8,343,819)	(27,299)	-0.3%
	<b>Total Net Assessment including Debt</b>	<b>\$29,122,049</b>	<b>\$29,206,462</b>	<b>\$29,931,371</b>	<b>\$30,032,104</b>	<b>\$100,733</b>	<b>0.3%</b>
	<b>Operating Assessment</b>	<b>\$28,045,347</b>	<b>\$28,910,709</b>	<b>\$29,640,869</b>	<b>\$30,530,852</b>	<b>\$889,983</b>	<b>3.0%</b>
	<b>Debt Assessment</b>	<b>\$1,076,702</b>	<b>\$295,751</b>	<b>\$290,502</b>	<b>(\$498,748)</b>	<b>(\$789,250)</b>	<b>-271.7%</b>



# FY23 Budget Assessment by Town

<b>BOXFORD</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>	<b>Chg \$</b>	<b>Chg %</b>
Operating Assessment	\$ 10,668,997	\$ 10,961,352	\$ 10,773,426	\$ 11,152,231	\$ 378,805	3.5%
Debt Assessment	\$ 409,017	\$ 111,474	\$ 105,545	\$ (183,169)	\$ (288,714)	-273.5%
<b>Total Assessment</b>	<b>\$ 11,078,014</b>	<b>\$ 11,072,826</b>	<b>\$ 10,878,971</b>	<b>\$ 10,969,062</b>	<b>\$ 90,091</b>	<b>0.8%</b>
<b>MIDDLETON</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>	<b>Chg \$</b>	<b>Chg %</b>
Operating Assessment	\$ 9,968,088	\$ 10,204,052	\$ 10,473,077	\$ 10,666,631	\$ 193,554	1.8%
Debt Assessment	\$ 382,380	\$ 103,740	\$ 102,490	\$ (171,693)	\$ (274,183)	-267.5%
<b>Total Assessment</b>	<b>\$ 10,350,468</b>	<b>\$ 10,307,792</b>	<b>\$ 10,575,567</b>	<b>\$ 10,494,938</b>	<b>\$ (80,629)</b>	<b>-0.8%</b>
<b>TOPSFIELD</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>	<b>Chg \$</b>	<b>Chg %</b>
Operating Assessment	\$ 7,408,262	\$ 7,745,305	\$ 8,394,366	\$ 8,711,990	\$ 317,624	3.8%
Debt Assessment	\$ 285,305	\$ 80,537	\$ 82,467	\$ (143,887)	\$ (226,354)	-274.5%
<b>Total Assessment</b>	<b>\$ 7,693,567</b>	<b>\$ 7,825,842</b>	<b>\$ 8,476,833</b>	<b>\$ 8,568,103</b>	<b>\$ 91,270</b>	<b>1.1%</b>
<b>DISTRICT TOTALS</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>	<b>Chg \$</b>	<b>Chg %</b>
Operating Assessment	\$ 28,045,347	\$ 28,910,709	\$ 29,640,869	\$ 30,530,852	\$ 889,983	3.0%
Debt Assessment	\$ 1,076,702	\$ 295,751	\$ 290,502	\$ (498,748)	\$ (789,250)	-271.7%
<b>Total Assessment</b>	<b>\$ 29,122,049</b>	<b>\$ 29,206,460</b>	<b>\$ 29,931,371</b>	<b>\$ 30,032,104</b>	<b>\$ 100,733</b>	<b>0.3%</b>

NOTE: FY23 Preliminary Cherry Sheets and FY23 Preliminary Chapter 70 Aid and Net School Spending Requirements will be used to update our Recommendation once released.



# FY23 Budget

## Major Expense Category Analysis (After Offsets)

Expense Category	FY23 Budget		FY22 Budget		VS PR YR	
	Tot \$	% of Tot	Tot \$	% of Tot	Chg \$	Chg %
Salaries	\$ 23,134,615	61.6%	\$ 22,639,865	61.7%	\$494,750	2.2%
Insurance Benefits (Active and Retired)	\$ 4,739,161	12.6%	\$ 4,459,057	12.1%	\$280,104	6.3%
Out-of-District Tuition	\$ 2,913,540	7.8%	\$ 2,616,334	7.1%	\$297,206	11.4%
Maintenance & Security (non-salary)	\$ 1,474,478	3.9%	\$ 1,385,458	3.8%	\$89,021	6.4%
Retirement Contribution	\$ 1,209,050	3.2%	\$ 1,192,756	3.2%	\$16,294	1.4%
Transportation - Regular Ed	\$ 1,155,561	3.1%	\$ 1,111,302	3.0%	\$44,259	4.0%
MIS & Instructional Technology (non-salary)	\$ 528,923	1.4%	\$ 510,444	1.4%	\$18,479	3.6%
Athletics (non-salary)	\$ 433,158	1.2%	\$ 426,433	1.2%	\$6,725	1.6%
Transportation - Special Ed	\$ 288,060	0.8%	\$ 550,263	1.5%	(\$262,203)	-47.7%
Student Services Consultants & Svc Providers	\$ 250,840	0.7%	\$ 279,340	0.8%	(\$28,500)	-10.2%
Property, Liability & WC Insurance	\$ 205,317	0.5%	\$ 173,328	0.5%	\$31,989	18.5%
School Choice & Charter School Sending Tuition	\$ 139,088	0.4%	\$ 184,644	0.5%	(\$45,556)	-24.7%
Unemployment	\$ 24,000	0.1%	\$ 112,500	0.3%	(\$88,500)	-78.7%
All Other	\$ 1,087,382	2.9%	\$ 1,078,764	2.9%	\$8,617	0.8%
<b>Totals:</b>	<b>\$ 37,583,173</b>	<b>100.0%</b>	<b>\$ 36,720,489</b>	<b>100.0%</b>	<b>\$862,684</b>	<b>2.3%</b>



# FY23 Budget

## Primary Salary Expense Drivers

Driver	FY23B v FY22B \$ CHG
ALL Union COLA, STEP, Degree, & Stipend Placeholder	\$694,000
All Non-Union Personnel COLA Placeholder	52,000
Increase Daily Teacher Substitute Rate	14,000
Anticipated Retirement Replacement Savings	(51,000)
Increase of 0.4 FTE for HS/MS Drama Teacher	25,000
End of Career Payouts	(32,000)
Carry forward of FY22A Staff Replacement Savings	(207,000)
<b>Total Change in District Salary Expense:</b>	<b>\$495,000</b>
<b>Increase versus FY22B:</b>	<b>2.2%</b>



# FY23 Budget

## February 2<sup>nd</sup> Meeting Agenda Topics

- Jeff – Revenue Sources and Expense Offsets
  - Hopefully we will have FY23 Preliminary Cherry Sheets and Certified Excess & Deficiency by then.
- Patty – OOD Tuition, OOD Transportation, & Contracted Service Providers (e.g., OT, PT, SLP, Vision)
- Mary Jo and Phil – Drama Teacher Position



# FY23 Budget Calendar

OCTOBER 12, 2021	BUDGET SUBCOMMITTEE MEETING
OCTOBER 19, 2021	DISTRICT SUBMITS JULY 1, 2021 E & D TO MA DOR FOR CERTIFICATION
NOVEMBER 3, 2021	DISTRICT DISTRIBUTES OCTOBER 1, 2021 RESIDENT STUDENT ENROLLMENT TO TOWNS
NOVEMBER 3, 2021	FY23 BUDGET KICK-OFF MEMO DISTRIBUTED TO MRSD BUDGET HOLDERS
NOVEMBER 15, 2021	BUDGET SUBCOMMITTEE MEETING
JANUARY 19, 2022*	FY23 BUDGET RECOMMENDATION PRESENTED TO THE SCHOOL COMMITTEE
JANUARY 26, 2022	BUDGET SUBCOMMITTEE MEETING w/ DEPARTMENT HEADS (5:00 PM)
FEBRUARY 2, 2022*	SCHOOL COMMITTEE CONDUCTS FY23 BUDGET DELIBERATIONS
FEBRUARY 9, 2022	BUDGET SUBCOMMITTEE MEETING w/ TOWN BOARDS (6:30 PM)
FEBRUARY 16, 2022	DISTRICT MAILES TENTATIVE FY23 BUDGET TO TOWN OFFICIALS
FEBRUARY 16, 2022*	SCHOOL COMMITTEE CONDUCTS FY23 BUDGET DELIBERATIONS
FEBRUARY 28, 2022 (Mon)*	SCHOOL COMMITTEE CONDUCTS FY23 BUDGET DELIBERATIONS (IF NEEDED)
MARCH 2, 2022*	SCHOOL COMMITTEE HOLDS FY23 BUDGET PUBLIC HEARING
MARCH 2, 2022*	SCHOOL COMMITTEE CONDUCTS FY23 BUDGET DELIBERATIONS
MARCH 7, 2022 (Mon)*	SCHOOL COMMITTEE CONDUCTS FY23 BUDGET DELIBERATIONS (IF NEEDED)
MARCH 9, 2022*	SCHOOL COMMITTEE CONDUCTS FY23 BUDGET DELIBERATIONS
MARCH 9, 2022*	SCHOOL COMMITTEE ADOPTS FINAL FY23 BUDGET
MARCH & APRIL 2022	MEETINGS WITH TOWN OFFICIALS
APRIL 8, 2022	DISTRICT TREASURER CERTIFIES FY23 BUDGET WITH TOWNS
MAY 2022	ANNUAL TOWN MEETINGS
* Denotes Regular School Committee Meeting Dates.	