



*FY23 Superintendent's Budget Recommendation
School Committee Presentation
February 16, 2022*

Prepared and Presented by:

Jeffrey D. Sands, Assistant Superintendent of Schools
Michael M. Harvey, Superintendent of Schools



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 \$859,172 (or 2.3%) and an increase of \$850,459 (or 2.9%) in Operating Assessment versus the FY22 Budget.



FY23 Budget

Key Assumptions - Highlights

- Revenues

- Chapter 70, Transportation Reimbursement, and Charter School Tuition Reimbursement reflect Preliminary FY23 Cherry Sheet figures. Preliminary FY23 Cherry Sheets were released on 1/26/2022.
- 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).



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 Preliminary FY23 Cherry Sheet figures. Preliminary FY23 Cherry Sheets were released on 1/26/2022.

FY23 Budget – Assessment Overview

Total Expenditures		<i>Adopted FY20</i>	<i>Adopted FY21</i>	<i>Adopted FY22</i>	<i>Proposed F23</i>	Chg \$	Chg %
	General Operating Expenses (before Offsets)	36,065,385	37,536,315	38,530,480	39,775,633	1,245,153	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	37,579,661	859,172	2.3%
	Debt Service Expense	2,368,200	1,587,250	1,582,000	792,750	(789,250)	-49.9%
	Total Expenditures	\$37,057,467	\$37,448,235	\$38,302,489	\$38,372,411	\$69,922	0.2%
Total Funding Sources							
		<i>Adopted FY20</i>	<i>Adopted FY21</i>	<i>Adopted FY22</i>	<i>Proposed FY23</i>	Chg \$	Chg %
State Aid							
	Chapter 70	\$5,182,999	\$5,254,659	\$5,253,339	\$5,304,129	\$50,790	1.0%
	Transportation Reimbursement	630,388	633,886	588,428	669,987	81,559	13.9%
	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	5,978	(6,407)	-51.7%
Local Receipts							
	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%
Federal Aid							
	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!
	Total Funding Sources	\$7,935,418	\$8,241,773	\$8,371,118	\$8,379,831	\$8,713	0.1%
Net Assessment including Deb Service							
		<i>Adopted FY20</i>	<i>Adopted FY21</i>	<i>Adopted FY22</i>	<i>Proposed FY23</i>	Chg \$	Chg %
	Total Expenditures	37,057,467	37,448,235	38,302,489	38,372,411	69,922	0.2%
	Less Total Funding Sources	(7,935,418)	(8,241,773)	(8,371,118)	(8,379,831)	8,713	0.1%
	Total Net Assessment including Debt	\$29,122,049	\$29,206,462	\$29,931,371	\$29,992,580	\$61,209	0.2%
	Operating Assessment	\$28,045,347	\$28,910,709	\$29,640,869	\$30,491,328	\$850,459	2.9%
	Debt Assessment	\$1,076,702	\$295,751	\$290,502	(\$498,748)	(\$789,250)	-271.7%



FY23 Budget Assessment by Town

BOXFORD	FY20	FY21	FY22	FY23	Chg \$	Chg %
Operating Assessment	\$ 10,668,997	\$ 10,961,352	\$ 10,773,426	\$ 11,170,157	\$ 396,731	3.7%
Debt Assessment	\$ 409,017	\$ 111,474	\$ 105,545	\$ (183,169)	\$ (288,714)	-273.5%
Total Assessment	\$ 11,078,014	\$ 11,072,826	\$ 10,878,971	\$ 10,986,989	\$ 108,018	1.0%
MIDDLETON	FY20	FY21	FY22	FY23	Chg \$	Chg %
Operating Assessment	\$ 9,968,088	\$ 10,204,052	\$ 10,473,077	\$ 10,513,899	\$ 40,822	0.4%
Debt Assessment	\$ 382,380	\$ 103,740	\$ 102,490	\$ (171,693)	\$ (274,183)	-267.5%
Total Assessment	\$ 10,350,468	\$ 10,307,792	\$ 10,575,567	\$ 10,342,206	\$ (233,361)	-2.2%
TOPSFIELD	FY20	FY21	FY22	FY23	Chg \$	Chg %
Operating Assessment	\$ 7,408,262	\$ 7,745,305	\$ 8,394,366	\$ 8,807,272	\$ 412,906	4.9%
Debt Assessment	\$ 285,305	\$ 80,537	\$ 82,467	\$ (143,887)	\$ (226,354)	-274.5%
Total Assessment	\$ 7,693,567	\$ 7,825,842	\$ 8,476,833	\$ 8,663,385	\$ 186,552	2.2%
DISTRICT TOTALS	FY20	FY21	FY22	FY23	Chg \$	Chg %
Operating Assessment	\$ 28,045,347	\$ 28,910,709	\$ 29,640,869	\$ 30,491,328	\$ 850,459	2.9%
Debt Assessment	\$ 1,076,702	\$ 295,751	\$ 290,502	\$ (498,748)	\$ (789,250)	-271.7%
Total Assessment	\$ 29,122,049	\$ 29,206,460	\$ 29,931,371	\$ 29,992,580	\$ 61,209	0.2%

NOTE: FY23 Preliminary Cherry Sheets and FY23 Preliminary Chapter 70 Aid and Net School Spending released on 1/26/2022 have been incorporated into our Recommendation as of 2/2/2022.



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%	
Totals:	\$ 37,583,173	100.0%	\$ 36,720,489	100.0%	\$862,684	2.3%	



FY23 Budget

Major Expense Category Discussion

Retirement Contribution (\$1,209,050; +\$16,294)

- \$30,587 (3.7%) increase from Essex Retirement Board
- \$1,360 (3.6%) increase in 403B Employer Match
- \$15,653 (4.8%) decrease in Employer Paid Medicare Tax

Transportation – Regular Ed (\$1,155,561; +\$44,259)

- Final year of 3 Year Contract with NRT
- \$43,179 (3.97%) contractual increase for daily bus service
- \$1,080 (5.88%) contractual increase for late buses 2 days/week



FY23 Budget

Major Expense Category Discussion

Property, Liability & WC Insurance (\$205,317; +\$31,989)

- \$30,126 (30.7%) increase for P&L Insurance
 - P&L Insurance was put out to bid for FY22 resulting in no bidders based on recent unfavorable claims history (e.g., lightning strike and flood). As a result, District remains with existing provider at a \$26,394 forecasted increase vs budget in FY22. \$3,732 (3.0 %) budgeted increase over FY22F.
- \$1,863 (2.5%) increase for WC Insurance

Unemployment (\$24,000; <\$88,500>)

- \$88,500 (78.7%) decrease for Unemployment
 - FY22 Budget assumed 9 claims totaling \$112,500 (e.g. Proctors)
 - FY23 Budget assumes 2 claims totaling \$24,000



FY23 Budget

School Committee Office Operating Budget

Jeff Sands, Assistant Superintendent



FY23 Budget

School Committee Office Operating Budget

Account Title	FY22B	FY23B	Change	Comment
Support Staff/Clerical Salaries	21,316	21,853	\$537	20% of JB's Salary + 100% of LV's Salary
Consultants & Other Svc Prov.	44,620	44,620	\$0	SRO Payments based on \$230 per day for 194 days
Legal Services	15,000	15,000	\$0	General Counsel Support
Conferences and Seminars	10,750	10,750	\$0	\$4,500 MASC Membership, \$3,300 MASC Manual; \$2,950 MASC Conf & Other
Consumable Supplies	1,000	1,000	\$0	Miscellaneous
Office Total:	\$92,686	\$93,223	\$537	



**District Administration's response to SC 1/19/22
request for information regarding
Additional Resources**

Jeff Sands, Assistant Superintendent

Mike Harvey, Superintendent

Patty Bullard, Assistant Superintendent



District Administration's response Re: Additional Resources

Assumptions

Assumption #1: The Pandemic and its impact on District Operations will continue for the foreseeable future.

Assumption #2: Identify additional resources needed to support District Operations during the Pandemic.

Assumption #3: Identify additional resources needed to "free-up" members of the ELT.



District Administration's response Re: Additional Resources

Response

Category #1: Shorter Term Resources needed to support Operations during the Pandemic (only).

Category #2: Longer Term Resources needed to i.) support on-going Operations both during and after the Pandemic and ii.) “free up” members of the ELT to work on non-Pandemic related Projects and Strategic Initiatives.



District Administration's response Re: Additional Resources (Category #1)

Position	Est. Annual Salary (1)	Duration	Funding Source
(2) Hall / Café Monitors	\$60,000	Pandemic	ESSER III
(1) HS Math Tutor	\$25,000	Pandemic	ESSER III
(1) HS Writing Tutor	\$25,000	Pandemic	ESSER III
(1) HS Nursing Assistant	\$31,000	Pandemic	ESSER III
(1) MS Nursing Assistant	\$31,000	Pandemic	ESSER III
(1) Athletic Trainer	\$38,000	Pandemic	ESSER III
(5) Permanent LT Substitute Teachers	\$260,000	Pandemic	ESSER III
(2) School Adjustment Counselors	\$160,000	Pandemic	ESSER III
(1) HS Main Office Support (10 month)	\$42,000	Pandemic	ESSER III
(1) MS Main Office Support (10 month)	\$42,000	Pandemic	ESSER III
Total:	\$714,000		

(1) - Additional annual cost of Health & Dental Benefits for District personnel working > 20 hours per week ranges from \$0 - \$21,176 in FY23.



District Administration's response Re: Additional Resources (Category #2)

Position	Est. Annual Salary (1)	Duration	Funding Source
Director of Curriculum & Instruction	\$140,000	Permanent	General Fund
Director of Business Operations & Administration	\$140,000	Permanent	General Fund
Districtwide Communications Manager	\$100,000	Permanent	General Fund
Transportation Coordinator (Full Time)	\$65,000	Permanent	General Fund
(1) MPFT (Full Time)	\$60,000	Permanent	General Fund
(1) IT Technician (Full Time)	\$60,000	Permanent	General Fund
Total:	\$565,000		

(1) - Additional annual cost of Health & Dental Benefits for District personnel working > 20 hours per week ranges from \$0 - \$21,176 in FY23.



FY23 Budget

Requests Not Included in Our Recommendation

Jeff Sands, Assistant Superintendent

Mike Harvey, Superintendent



FY23 Budget Requests Not Included in Our Recommendation Background

Excerpt from J. Sands 11/3/21 Budget Kick-off Memo to Ext. Leadership Team:

“In addition to the development of a “level service” budget, it is important that we continuously evaluate our programs and operations to identify ways in which we can make improvements to the District. To that end, we will leverage the annual budget process to gather, document, and price proposals for making on-going investments in the District. Proposals must be categorized and quantified as either new staff, new programs, and/or new one-time expenditures or projects. Members of the Executive Leadership Team will take the lead in coordinating this aspect of the budget process by working directly with their teams..... Proposals may be incorporated into the January budget recommendation depending on several factors including affordability and their importance/priority relative to District Strategy and School Improvement Plans. All proposals, regardless of whether they actually make it into the FY23 budget recommendation or not, will be presented and discussed with the School Committee as part of the upcoming budget review process.”



FY23 Budget

Requests not included in the Recommendation

Category 1:		New Faculty Positions including Stipended Positions	
Submitted by:	Position Description	Est Base Salary	
<i>None</i>	N/A	\$	-
	Subtotal:	\$	-
Category 2:		New Administrative/Support Positions	
Submitted by:	Position Description	Est Base Salary	
<i>C&I</i>	Director of Curriculum, Assessment and Instruction	\$	140,000
<i>HS</i>	Math Tutor (ASC)	\$	24,700
<i>HS</i>	Writing Tutor (ASC)	\$	24,700
<i>Finance & Operations</i>	Seasonal Part Time MPFT	\$	20,250
<i>Finance & Operations</i>	Part Time IT Technician	\$	31,250
<i>Finance & Operations</i>	Transportation Manager (11 months)	\$	57,600
	Subtotal:	\$	298,500



FY23 Budget

Requests not included in the Recommendation

Category 3:		New Instructional Program Costs	
Submitted by:	Cost Description	Est Cost	
<i>None</i>	N/A	\$	-
	Subtotal:	\$	-
Category 4:		Extraordinary One-time Costs	
Submitted by:	Cost Description	Est Cost	
<i>HS</i>	Repurpose/outfit Room C1040	\$	10,000
<i>Finance & Operations</i>	Athletic & Co-Curricular User Fee Reduction	\$	137,500
<i>Finance & Operations</i>	Plow Truck	\$	50,000
<i>Finance & Operations</i>	Toro Workman MDX Grounds Vehicle	\$	12,000
<i>Finance & Operations</i>	Riding Athletic Field Line Striper	\$	15,000
<i>Finance & Operations</i>	72" Commercial Mower	\$	20,000
<i>Finance & Operations</i>	Athletic Trainer Safety Vehicle	\$	10,000
	Subtotal:	\$	254,500
	TOTAL:	\$	553,000



FY23 Budget

March 2nd Meeting Agenda Topics

- Final Recommendation Update (if needed)
- MIS & Instructional Technology (non-salary)
- Maintenance & Security (non-salary)
- Insurance Benefits
- FY24 Forecast



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.	