



*FY25 District Administration's Budget Recommendation  
School Committee Presentation  
February 28, 2024*

Prepared and Presented by:

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# FY25 Budget Agenda for Tonight

- Adjustments to Budget Recommendation
  - Health/Dental Premiums, Staff Retirements, NEC Capital Assessment, Transportation, Essex Retirement Appropriation, Performing Arts Department Head Position
- Review the following Major Expense Categories:
  - Insurance Benefits
  - Maintenance (non-salary)
  - Transportation – Regular Ed
  - Retirement Contribution
  - MIS & Instructional Technology (non-salary)
  - HS Athletics (non-salary)
  - HS Materials, Supplies, & Resources
  - Property, Liability & WC Insurance
  - MS Materials, Supplies, & Resources
  - Business, Finance & HR (non-salary)
  - All Other
- Student Services
  - Wellness Update
  - School Adjustment Counselor Plan



# FY25 Budget

## Summary of February 28<sup>th</sup> Adjustments

January 31st - FY25 Increase to Total Operating Assessment	\$1,421,265
<i>Adjustment for Health &amp; Dental Premiums</i>	<i>(207,033)</i>
<i>Adjustment for NEC Capital Assessment</i>	<i>(65,000)</i>
<i>Adjustment for Teacher Retirement</i>	<i>(12,720)</i>
<i>Adjustment for Support Staff Retirement</i>	19,762
<i>Adjustment for Revised Essex Retirement Appropriation</i>	10,087
<i>Adjustment for Transportation - Regular Ed</i>	<i>(146,811)</i>
<i>Adjustment for Performing Arts Dept Head Position</i>	129,534
<i>Adjustment for HS/MS Music Teacher Workload (0.2 FTE)</i>	<i>(11,149)</i>
February 28th - FY25 REVISED Increase to Total Operating Assessment	\$1,137,935
Change to FY25 Total Operating Assessment:	<u><u><i>(\$283,330)</i></u></u>

# FY25 Budget – Assessment Overview Updated

<b>Total Expenditures</b>		<i>Actual FY23</i>	<i>Adopted FY22</i>	<i>Adopted F23</i>	<i>Adopted F24</i>	<i>Proposed F25</i>	<i>Chg \$</i>	<i>Chg %</i>
	General Operating Expenses (before Offsets)	39,778,581	38,530,480	39,770,354	42,571,783	43,278,201	706,419	1.7%
	Less Expense Offsets	2,294,060	1,809,991	2,195,972	2,814,097	2,770,663	(43,434)	-1.5%
	General Operating Expenses (after Offsets)	37,484,521	36,720,489	37,574,382	39,757,686	40,507,538	749,853	1.9%
	Capital Costs including Debt Service Expense	792,750	1,582,000	792,750	449,050	0	(449,050)	-100.0%
	<b>Total Expenditures</b>	<b>\$38,277,271</b>	<b>\$38,302,489</b>	<b>\$38,367,132</b>	<b>\$40,206,736</b>	<b>\$40,507,538</b>	<b>\$300,803</b>	<b>0.7%</b>
<b>Total Funding Sources</b>		<i>Actual FY23</i>	<i>Adopted FY22</i>	<i>Adopted FY23</i>	<i>Adopted FY24</i>	<i>Proposed FY25</i>	<i>Chg \$</i>	<i>Chg %</i>
<b>State Aid</b>								
	Chapter 70	\$5,354,919	\$5,253,339	\$5,304,129	\$5,403,309	\$5,498,979	\$95,670	1.8%
	Transportation Reimbursement	743,838	588,428	669,987	701,305	698,918	(2,387)	-0.3%
	MSBA Debt Service Reimbursement	1,291,498	1,291,498	1,291,498	-	-	0	0.0%
	Charter School Tuition Reimbursement	36,905	12,385	5,978	31,456	45,441	13,985	44.5%
<b>Local Receipts</b>								
	Interest Income	192,108	48,000	12,000	12,000	190,000	178,000	1483.3%
	Fees Collected	41,357	34,000	34,000	34,000	34,000	0	0.0%
	Miscellaneous Receipts	26,001	10,000	10,000	10,000	10,000	0	0.0%
	Excess and Deficiency	551,844	361,567	551,844	1,126,968	453,619	(673,349)	-59.7%
	Fund Transfers In	566,655	747,901	566,655	467,500	467,500	0	0.0%
<b>Federal Aid</b>								
	Medicaid Reimbursement	131,416	24,000	33,933	33,933	33,933	(0)	0.0%
	E Rate Reimbursement	0	0	0	0	0	0	0.0%
	<b>Total Funding Sources</b>	<b>\$8,936,541</b>	<b>\$8,371,118</b>	<b>\$8,480,024</b>	<b>\$7,820,471</b>	<b>\$7,432,390</b>	<b>(\$388,081)</b>	<b>-5.0%</b>
<b>Net Assessment including Deb Service</b>		<i>Actual FY23</i>	<i>Adopted FY22</i>	<i>Adopted FY23</i>	<i>Adopted FY24</i>	<i>Proposed FY25</i>	<i>Chg \$</i>	<i>Chg %</i>
	Total Expenditures	38,277,271	38,302,489	38,367,132	40,206,736	40,507,538	300,803	0.7%
	Less Total Funding Sources	(8,936,541)	(8,371,118)	(8,480,024)	(7,820,471)	(7,432,390)	(388,081)	-5.0%
	<b>Total Net Assessment including Debt</b>	<b>\$29,340,730</b>	<b>\$29,931,371</b>	<b>\$29,887,107</b>	<b>\$32,386,264</b>	<b>\$33,075,148</b>	<b>\$688,884</b>	<b>2.1%</b>
	<b>Operating Assessment</b>	<b>\$29,839,478</b>	<b>\$29,640,869</b>	<b>\$30,385,855</b>	<b>\$31,937,214</b>	<b>\$33,075,148</b>	<b>\$1,137,934</b>	<b>3.6%</b>
	<b>Capital Assessment including Debt Service</b>	<b>(\$498,748)</b>	<b>\$290,502</b>	<b>(\$498,748)</b>	<b>\$449,050</b>	<b>\$0</b>	<b>(\$449,050)</b>	<b>100.0%</b>

# FY25 Budget

## Assessment by Town - Updated

<b>BOXFORD</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25</b>	<b>Chg \$</b>	<b>Chg %</b>
Operating Assessment	\$ 10,773,426	\$ 11,131,422	\$ 11,917,575	\$ 12,316,713	\$ 399,138	3.3%
Capital Assessment incl Debt Service	\$ 105,545	\$ (183,169)	\$ 167,451	\$ -	\$ (167,451)	100.0%
<b>Total Assessment</b>	<b>\$ 10,878,971</b>	<b>\$ 10,948,253</b>	<b>\$ 12,085,026</b>	<b>\$ 12,316,713</b>	<b>\$ 231,687</b>	<b>1.9%</b>
<b>MIDDLETON</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25</b>	<b>Chg \$</b>	<b>Chg %</b>
Operating Assessment	\$ 10,473,077	\$ 10,477,590	\$ 10,896,460	\$ 11,047,213	\$ 150,753	1.4%
Capital Assessment incl Debt Service	\$ 102,490	\$ (171,693)	\$ 150,162	\$ -	\$ (150,162)	100.0%
<b>Total Assessment</b>	<b>\$ 10,575,567</b>	<b>\$ 10,305,897</b>	<b>\$ 11,046,622</b>	<b>\$ 11,047,213</b>	<b>\$ 591</b>	<b>0.0%</b>
<b>TOPSFIELD</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25</b>	<b>Chg \$</b>	<b>Chg %</b>
Operating Assessment	\$ 8,394,366	\$ 8,776,843	\$ 9,123,180	\$ 9,711,223	\$ 588,043	6.4%
Capital Assessment incl Debt Service	\$ 82,467	\$ (143,887)	\$ 131,437	\$ -	\$ (131,437)	100.0%
<b>Total Assessment</b>	<b>\$ 8,476,833</b>	<b>\$ 8,632,957</b>	<b>\$ 9,254,617</b>	<b>\$ 9,711,223</b>	<b>\$ 456,606</b>	<b>4.9%</b>
<b>DISTRICT TOTALS</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25</b>	<b>Chg \$</b>	<b>Chg %</b>
Operating Assessment	\$ 29,640,869	\$ 30,385,855	\$ 31,937,215	\$ 33,075,148	\$ 1,137,933	3.6%
Capital Assessment incl Debt Service	\$ 290,502	\$ (498,748)	\$ 449,050	\$ -	\$ (449,050)	100.0%
<b>Total Assessment</b>	<b>\$ 29,931,371</b>	<b>\$ 29,887,107</b>	<b>\$ 32,386,265</b>	<b>\$ 33,075,148</b>	<b>\$ 688,883</b>	<b>2.1%</b>

NOTE: FY25 Preliminary Cherry Sheets and FY25 Preliminary Chapter 70 Aid and Net School Spending Requirements dated 1/24/24 have been used to compile this Updated Recommendation.



# FY25 Budget

## Major Expense Category Analysis (before Offsets)

Expense Category	FY25 Budget		FY24 Budget		VS PR YR		
	Tot \$	% of Tot	Tot \$	% of Tot	Chg \$	Chg %	
Salaries	\$ 24,426,066	56.4%	\$ 23,764,733	55.8%	\$661,333	2.8%	✓
Out-of-District Tuition	\$ 5,109,344	11.8%	\$ 5,527,600	13.0%	(\$418,256)	-7.6%	✓
Insurance Benefits (Active and Retired)	\$ 5,203,800	12.0%	\$ 5,047,709	11.9%	\$156,091	3.1%	*
Maintenance (non-salary)	\$ 1,820,096	4.2%	\$ 1,724,573	4.1%	\$95,523	5.5%	*
Transportation - Regular Ed	\$ 1,247,883	2.9%	\$ 1,326,855	3.1%	(\$78,972)	-6.0%	*
Retirement Contribution	\$ 1,261,171	2.9%	\$ 1,262,086	3.0%	(\$915)	-0.1%	*
Transportation - Special Ed	\$ 985,376	2.3%	\$ 921,465	2.2%	\$63,912	6.9%	✓
MIS & Instructional Technology (non-salary)	\$ 580,110	1.3%	\$ 610,881	1.4%	(\$30,771)	-5.0%	*
High School Athletics (non-salary)	\$ 495,853	1.1%	\$ 465,829	1.1%	\$30,024	6.4%	*
High School Materials, Supplies, & Resources	\$ 526,921	1.2%	\$ 458,513	1.1%	\$68,407	14.9%	*
Student Services Consultants & Svc Providers	\$ 405,431	0.9%	\$ 319,949	0.8%	\$85,482	26.7%	✓
Property, Liability & WC Insurance	\$ 274,924	0.6%	\$ 246,486	0.6%	\$28,438	11.5%	*
Middle School Materials, Supplies, & Resources	\$ 212,660	0.5%	\$ 199,502	0.5%	\$13,158	6.6%	*
Business, Finance & HR (non-salary)	\$ 173,981	0.4%	\$ 164,259	0.4%	\$9,722	5.9%	*
School Choice & Charter School Sending Tuition	\$ 188,283	0.4%	\$ 188,141	0.4%	\$142	0.1%	
Professional Development (non-salary)	\$ 88,790	0.2%	\$ 86,040	0.2%	\$2,750	3.2%	
Crisis Response & Security (non-salary)	\$ 82,893	0.2%	\$ 82,893	0.2%	\$0	0.0%	
Legal Services	\$ 65,220	0.2%	\$ 65,220	0.2%	\$0	0.0%	
Unemployment	\$ 24,000	0.1%	\$ 24,000	0.1%	\$0	0.0%	
All Other	\$ 105,399	0.2%	\$ 85,049	0.2%	\$20,350	23.9%	*
<b>Totals:</b>	<b>\$ 43,278,201</b>	<b>100.0%</b>	<b>\$ 42,571,783</b>	<b>100.0%</b>	<b>\$706,419</b>	<b>1.7%</b>	



# FY25 Budget

## Major Expense Category Discussion

### Insurance Benefits (\$5,203,800; +\$156,091; +3.1%)

- 2.20% increase in health premiums & 4.80% increase in dental premiums
  - In FY24, 5.05% increase in health premiums & 0.00% increase in dental premiums
  - In FY23, 4.81% increase in health premiums & 2.47% increase in dental premiums
  - In FY22, 1.93% increase in health premiums & <1.91%> decrease in dental premiums
    - Also included in FY22, a one-time one (1) Premium Holiday for Employees which equated to an 8.3% premium reduction for that year.
  - In FY21, 2.35% increase in health premiums & <6.03%> decrease in dental premiums
- The 5 year average annual change for health premiums is 3.27%
  - excluding the one-time premium holiday in FY22
- The 5 year average annual change for dental premiums is <0.13%>



# FY25 Budget

## Major Expense Category Discussion

### Maintenance (\$1,820,096; +\$95,523; +5.5%)

- \$31,785 increase in Utility costs (Electric, Gas & Water)
  - Updated Rates and Usage Amounts for each Utility
- \$13,710 increase in Year 5 of the Janitorial Contract
- \$30,000 increase in Landscaping & Grounds
  - Increased scope of annual Athletic Turf Management Program
- \$8,161 increase in Consumable Supplies
  - 33% increase in the total cost of paper products, comprised of a 20% increase in product cost plus increased volume particularly with paper towels (a by-product of COVID)
- \$5,000 increase in Plumbing
  - Adding routine filter replacements to PM plan for all Water Filling Stations (13) at 2X per year

### Transportation – Reg Ed (\$1,247,883; <\$78,972>; <6.0%>)

- Reducing the number of shared bus routes from 28 to 25 at \$49K/bus
- Reflects Year 2 contract rate increases for shared buses with TTU (+5.1%)
- +\$1,296 in Year 2 contractual increase for late buses 2 days/week (+5.6%)



# FY25 Budget

## Major Expense Category Discussion

### Retirement Contribution (\$1,261,171; <\$915>; <0.1%>)

- <\$11,767> decrease in the Essex Retirement Appropriation
- \$1,350 increase in 403B Employer Match
  - Increase in the number of participants
- \$9,502 increase in Employer Paid Medicare Tax
  - Increases proportionally with salary at +3.0%

### MIS & Instructional Tech (\$580,110; <\$30,771>; <5.0%>)

- \$7,384 increase in Maintenance, Rentals in Fees for Barracuda Email Spam and Phishing filter upgrade and transition to the Cloud
- \$4,023 increase in Other Published Materials (Software) reflecting an uptick in the cost of several annual Software Agreements
- <\$43,588> decrease in Other Published Materials (Instr. Tech) reflecting the decision not to renew Newsela and Formative subscriptions.



# FY25 Budget

## Major Expense Category Discussion

### Athletics (\$495,853; +\$30,024; +6.4%)

- \$4,350 increase in the cost of our Athletic Trainer
- \$2,130 increase in the cost of Game Officials
- \$2,050 increase in existing Uniform Replacements
  - The cost of the annual “new” uniform replacement program is flat at \$29.5K and includes Baseball, Boys Lacrosse, & Cheerleading in FY25
- \$2,349 increase in general durable equipment for all sports
- \$3,000 increase in Ice Time for Hockey
- \$1,000 increase for Cheerleading Choreography
- \$13,920 reflects Year 2 Transportation increase in Contract rates at +10%



# FY25 Budget

## Major Expense Category Discussion

### HS Mats, Supplies, & Resources (\$526,921; +\$68,407; 14.9%)

- \$6,100 increase in the cost of the outdoor HS Graduation setup
- \$12,000 increase in the cost of the Grad Alliance Program; these costs were covered by the ESSER III Grant in FY24
- \$7,835 increase in Foreign Language Other Published Materials reflecting the cost of Proficiency Testing for all students
- \$15,000 increase in Science to replace dated AP Environmental Science textbooks
- \$8,069 increase in Science to replace aged & dated lab equipment
- \$11,500 increase in SS to replace dated AP Human Geography textbooks
- \$3,753 increase for Year 2 Contract rates for Co-curricular Transportation at +10%



# FY25 Budget

## Major Expense Category Discussion

### Property, Liability & WC Ins (\$274,924; +\$28,438; +11.5%)

- \$34,078 (20.1%) increase for P&L Insurance
  - P&L Insurance was put out to bid again for FY24 resulting (again) in no bidders based on unfavorable claims history (e.g., lightning strike and flood). As a result, the District has remained with our existing provider (Glatfelter) at an actual cost of \$15,600 over FY24 Budget. For FY25, our Underwriter has advised a +10% (+\$18,500) increase in premium placeholder over FY24 actual.
- ~~\$5,640~~ (~~<7.3%>~~) decrease in Workers Compensation Insurance



# FY25 Budget

## Major Expense Category Discussion

### MS Mats, Supplies, & Resources (\$212,660; +\$13,158;+6.6%)

- \$1,150 increase in Principals Office supplies
- \$1,850 increase in Interdepartmental supplies
- \$3,000 increase in Math Other Publish Materials for IXL Math and Delta Math licenses
- \$1,250 increase in Performing Arts Durable equipment for new Bassoon
- \$2,000 increase in Science to replenish consumable supplies needed to run labs and technology programs



# FY25 Budget

## Major Expense Category Discussion

### Business, Finance & HR (\$173,981; \$9,722; +5.9%)

- \$3,000 increase in Auditing
  - Reflects the cost to conduct a MS Student Activities Account review
- \$6,722 increase in Capital Equipment
  - Placeholder increase for a new 3 Year Copier Lease to commence in August 2024

### All Other (\$105,399; \$20,350; +23.9%)

- The “All Other” Expense Category is made up of 15 individual cost accounts that do not correspond with any of the other Major Expense Categories.
- \$18,000 increase in Superintendent Consumables
  - Includes several staff appreciation activities scheduled throughout the school year
- \$1,500 increase in Psychologist for CTOPP Assessment materials
- \$2,500 increase in Student Services Other Published materials for A.C.E Curriculum for students in the HS/MS LRC Programs
- **\$2,700 decrease** in School Committee for Policy Manual work w/ MASC



# FY25 Budget

## Budget Topics for Future Meetings

- March 6<sup>th</sup> Meeting:
  - Public Hearing
  - Discussion of Staffing Adjustments impacting the Operating Budget
    - Reduce 5.0 FTE HS Teaching Positions (existing)
    - Add 1.0 FTE Director of Teaching & Learning Positions (new)
    - Add 1.0 FTE MPFT Position (ESSER III and Operating Budget previously)
    - Add 1.0 FTE IT Technician Position (ESSER III and Operating Budget previously)
  - Requests Not Included in Our Recommendation
  - Capital Planning – Discuss next steps



# FY25 Budget

## Summary of Recommended Staffing Adjustments impacting the Operating Budget

<b>\$ Impact</b>	<b>FTE Impact</b>	<b>Description</b>
(\$412,000)	(5.0)	Reduce 5.0 FTE HS Teaching Positions (Existing)
\$72,000	1.0	Add 1.0 FTE HS Academic Success Center Teacher (ESSER previously)
\$153,000	1.0	Add 1.0 FTE Director of Teaching & Learning Position (New)
\$41,000	1.0	Add 1.0 FTE MPFT Position (ESSER and Operating Budget previously)
\$45,000	1.0	Add 1.0 FTE IT Technician Position (ESSER and Operating Budget previously)
<b>(\$101,000)</b>	<b>(1.0)</b>	<b>TOTALS</b>



# FY25 Budget Calendar

OCTOBER 20, 2023	FY25 BUDGET KICK-OFF MEMO DISTRIBUTED TO MRSD BUDGET HOLDERS
OCTOBER 23, 2023	DISTRICT SUBMITS JULY 1, 2023 E & D TO MA DOR FOR CERTIFICATION
NOVEMBER 3, 2023	DISTRICT DISTRIBUTES OCTOBER 1, 2023 RESIDENT STUDENT ENROLLMENT TO TOWNS
NOVEMBER 8, 2023	MA DOR CERTIFIES DISTRICT'S JULY 1, 2023 E & D
NOVEMBER 29, 2023	FY25 BUDGET MEETING WITH TOWN OFFICIALS #1
JANUARY 17, 2024	FY25 BUDGET RECOMMENDATION PRESENTED TO THE SCHOOL COMMITTEE
JANUARY 31, 2024	SCHOOL COMMITTEE CONDUCTS FY25 BUDGET DELIBERATIONS
FEBRUARY 7, 2024	FY25 BUDGET MEETING WITH TOWN OFFICIALS #2
FEBRUARY 14, 2024	SCHOOL COMMITTEE CONDUCTS FY25 BUDGET DELIBERATIONS
FEBRUARY 16, 2024	DISTRICT MAILES TENTATIVE FY25 BUDGET TO TOWN OFFICIALS
FEBRUARY 28, 2024	SCHOOL COMMITTEE CONDUCTS FY25 BUDGET DELIBERATIONS
MARCH 6, 2024	SCHOOL COMMITTEE HOLDS FY25 BUDGET PUBLIC HEARING
MARCH 6, 2024	SCHOOL COMMITTEE CONDUCTS FY25 BUDGET DELIBERATIONS
MARCH 11, 2024 (MON)	SCHOOL COMMITTEE CONDUCTS FY25 BUDGET DELIBERATIONS (IF NEEDED)
MARCH 13, 2024 (WED)	SCHOOL COMMITTEE CONDUCTS FY25 BUDGET DELIBERATIONS (IF NEEDED)
MARCH 18, 2024 (MON)	SCHOOL COMMITTEE CONDUCTS FY25 BUDGET DELIBERATIONS (IF NEEDED)
MARCH 20, 2024	SCHOOL COMMITTEE CONDUCTS FY25 BUDGET DELIBERATIONS
MARCH 20, 2024	SCHOOL COMMITTEE ADOPTS FINAL FY25 BUDGET
MARCH 20, 2024	SCHOOL COMMITTEE AUTHORIZES DEBT FOR CAPITAL PROJECTS (IF NEEDED)
MARCH 22, 2024	DISTRICT PROVIDES WRITTEN NOTICE OF DEBT AUTHORIZATION TO BOARDS OF SELECTMAN (IF NEEDED)
APRIL 12, 2024	DISTRICT TREASURER CERTIFIES FY25 BUDGET WITH TOWNS
MAY 2024	ANNUAL TOWN MEETINGS