

FY12 PRELIMINARY BUDGET

LINCOLN-SUDBURY REGIONAL SCHOOL DISTRICT

Level Staff Budget

Presentation to the School Committee
December 21, 2010



ENROLLMENTS

Grade	FY'11	FY'12Proj	Proj
9	406	393	-13
10	417	403	-14
11	409	412	+3
12	377	404	+27
Total	1,609	1,612	3

FY'11 projection was 1,630 versus actual of 1,609

FY'12 projection based on 10-year average cohort survival

Previous models to project enrollments have not been accurate predictors during this economic downturn



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BUDGET ASSUMPTIONS

- ARRA Positions moved into Operating
- Compensation based on negotiated settlements (steps and COLA)
- Known and projected costs for utilities, Special Education, health insurance and other contracts as of December 17, 2010
- 3% increase in general expenses to address inflation
- Athletic, Activity and other Fees continue at same amounts



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WHAT CAN CHANGE ?

- Health Insurance – rates set in February (currently budgeted at 10% increase)
- Transportation Contract – going out to bid (currently budgeted at 3% increase)
- State Aid to Towns and L-S, and Other Town Receipts
- Special Education



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WHAT'S DRIVING THE BUDGET UP?

- Loss of ARRA funding
- Special Education
 - Out of District Placements
 - Related Transportation Costs
 - Reduction in Circuit Breaker reimbursement on tuitions and services
 - from 72% to 40% in FY11
 - Circuit Breaker reserves used up in FY11
- Health Insurance increases
- Middlesex Retirement increase (non-teaching)



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% CHANGES FROM FY'11 TO

Special Ed Placements	↑	22.1%
Special Ed Transport.	↑	10.3%
Circuit Breaker Loss	↑	25.2%
Health Insurance	↑	8.9%
Middlesex Retirement	↑	11.5%
Salaries	↑	5.1%



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BUDGET CHANGES

	FY'11	FY'12	\$ Inc	% Inc	% of Budget
Salaries	15,356,635	16,138,742	782,108	5.1 %	60.2%
Pensions & Ins	3,191,269	3,485,468	294,199	9.2%	13.7%
Mandates	3,363,728	4,016,749	653,021	19.4%	13.6%
Utilities	791,166	791,024	-142		2.9%
Contractual	851,698	860,468	8,770		3.4%
Operational	688,210	708,686	20,476	3.0%	2.7%
Dept Budgets	908,577	890,433	-18,144	-2.0%	3.5%
Contingency	194,414	30,000	-164,414	-85.0%	
Fees & Offsets	-1,379,691	-1,412,379	-32,688	2.4%	
TOTAL	23,966,006	25,509,192	1,543,18	6.4%	100%

Salaries increase by 4.1% without ARRA positions



ANALYSIS OF SALARY

	Teachers	Ed Support	Office Support	Admin	TOTAL
ARRA Positions	120,026	28,431	-	-	148,457
Staff Changes	5,665	-2,004	-12,090	-	- 8,429
Longevity	9,500	2,044	1,305	-	12,849
Steps	229,884	22,776	6,315	4,075	263,050
COLA	282,790	37,010	9,140	30,241	359,181
Stipends	7,000				7,000
TOTAL	654,865	88,257	4,670	34,316	782,108

Ed Support includes B&G, Athletics & Activities, AV & Computer Tech, Campus Aides, Health Services, and Instructional Assistants

Total Steps = \$263,050
 Total COLA = \$359,181
 Total Cost = \$622,231



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STRATEGIES TO MITIGATE

- Apply Contingency funds at end of FY'11 to preserve Circuit Breaker funds to carry over into FY'12
- Apply additional Athletic fee revenues to offset more of the Athletics program, thereby reducing the impact of Athletics on the School's overall budget



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LEVEL STAFF vs NO OVERRIDE BUDGETS

- Shortfall in September (from a level staff budget) given Prop 2 ½ constraints was \$533,000
- Current shortfall (from a level staff budget) given Prop 2 ½ constraints is \$860,000
- Potential shortfall, subject to State Aid changes, could be \$977,000 to \$1.1 million



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FY12 PRELIMINARY BUDGET ASSESSMENT



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ASSESSMENT

THE ASSESSMENT IS EACH TOWN'S SHARE OF THE TOTAL COST OF THE HIGH SCHOOL

THE ASSESSMENT IS **NOT** THE BUDGET

THE BUDGET IS ONLY ONE FACTOR IN THE CALCULATION OF THE ASSESSMENT TO EACH TOWN



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ASSESSMENT

- Assumes no reduction in Chapter 70
- Level Regional Transportation Reimbursement
- Estimated Receipts assumed to be flat
- Reapportionment higher
- Debt Service decreasing by \$77,750
- Apportionment ratios based on 3 year rolling average of enrollment: 15.09% Lincoln and 84.91% Sudbury– shifts .55%



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REAPPORTIONMENT

	FY'11 (from FY'09)	FY'12 (from FY'10)
Operating Budget Surplus	\$ 188,697.03	\$284,108.00
Regional Transportation	\$ 23,832.00	\$ 54,803.00
Chapter 70 Aid	\$ -265,251.00	
ARRA Stabilization	\$ 265,251.00	\$ -5,978.00
Interest, Misc. Receipts, Voids	\$ 98,622.84	\$117,229.50
Unspent Encumbered Funds	\$ 14,420.12	\$ 5,654.33
Total Reapportionment	\$ 325,571.99	\$455,816.83



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ASSESSMENT LEVEL STATE AID

LEVEL STAFF BUDGET	Lincoln 15.09%	Sudbury 84.91%	TOTAL LEVEL STAFF
Total Budget	\$3,849,337	\$21,659,855	\$25,509,192
Revenue Offsets	- 490,805	- 2,734,429	- 3,240,551
Assessment within Levy	\$3,358,532	\$18,925,426	\$22,268,641
Debt Service	\$ 389,885	\$ 2,193,847	\$ 2,583,732
Total Estimated Assessment	\$3,748,417	\$21,119,273	\$24,852,373



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ASSESSMENT -10% STATE AID

LEVEL STAFF BUDGET	Lincoln 15.09%	Sudbury 84.91%	TOTAL LEVEL STAFF
Total Budget	\$3,849,337	\$21,659,855	\$25,509,192
Revenue Offsets	- 453,074	- 2,523,493	- 3,240,551
Assessment within Levy	\$3,396,263	\$19,136,362	\$22,268,641
Debt Service	\$ 389,885	\$ 2,193,847	\$ 2,583,732
Total Estimated Assessment	\$3,786,148	\$21,330,209	\$24,852,373



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FY12 PRELIMINARY BUDGET CAPITAL PLAN



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CAPITAL PLAN

- Created a five-year plan during the FY'11 budget development process
- Total cost over five years (FY11 through FY15) was \$1,873,830
- Updated cost is \$2,130,830 based on equipment costs and the addition of stadium lighting and the old boiler facility



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CAPITAL PLAN PRIORITIES

TECHNOLOGY	\$155,000
AUDIO/VISUAL	\$ 85,000
ART	\$ 19,500
MUSIC	\$ 10,250
WELLNESS	\$ 58,000
HANDICAP VAN	\$ 53,655
TOTAL	\$381,405



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CAPITAL PLAN FUNDING OPTIONS

- Stabilization Fund \$487,000
 - Spend directly from the account
 - Borrow and use account to pay principal and interest
- Debt Exclusion Vote
 - Assessment to taxpayers





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