

# CONCORD PUBLIC SCHOOLS

## CONCORD-CARLISLE REGIONAL SCHOOL DISTRICT

120 MERIAM ROAD CONCORD, MA 01742 PHONE: 978.318.1500 FAX: 978.318.1537 [www.concordpublicschools.net](http://www.concordpublicschools.net)

To: Karle Packard, Chair, Guidelines Subcommittee, Concord Finance Committee

From: Diana Rigby, Superintendent of Schools

John Flaherty, Deputy Superintendent for Finance and Operations

Date: November 10, 2016

Re: Annual Budget Data Response – Concord Public Schools

Our presentation this evening provides a focused response to questions and requests for information in the October 31, 2016 Annual Budget Data Request memorandum from the Concord Guidelines Subcommittee Chairperson, Karle Packard. Budget discussions for FY18 are continuing with the school principals, central office administrators, and school committees.

The school committees will give direction to the administration as we move forward in the budgeting process.

**1. Please identify how you will accommodate this guidelines recommendation relative to the program you presented to the Finance Committee at our meeting on Thursday, October 13th.**

We will not be recommending to the School Committee that the Finance Committee Guideline be adopted. If necessary, we will eliminate the replacement of the two planned school bus replacements. This will defer that expense to FY19 and will result in higher maintenance costs for the fleet during FY18.

**2. How does your budget request meet the Finance Committee's goal of financial sustainability?**

Our full 3.6% request keeps us on our ten growth rate of approximately 3.41%. We believe this is a sustainable average growth rate for the Concord Public Schools.

**3. Do you have ongoing administrative and or operational cost management programs? If so, what savings have they resulted in and how have you redirected those funds?**

Operational and administrative savings from lower energy consumption and elimination of an email software license have been redirected to offset budget growth in numerous areas. The reductions took place in the following areas:

	PROGRAM AREA	FY18 REDUCTIONS
<b>PRELIMINARY BUDGET REQUEST REDUCTIONS</b>		
SPECIAL EDUCATION TUITIONS	1200 - 1201	(240,000)
SALARY CONTINGENCY	2340	(190,903)
TRANSPORTATION, BUILDING SERVICES ADJUSTMENTS	4660 & 4630	(58,458)
BUILDINGS S/M	4640	(40,000)
UTILITIES/HEATING	4680	(31,686)
TOTAL DECREASES	-1.6%	(561,047)

# **CPS Operating FY2018 Budget Development Process**

November 22, 2016

# FY18 Budget Development Process Update

DESCRIPTION	FY17 Adopted Budget	FY18 Preliminary Budget	Difference	FY18 Fin Com GL Budget
SALARIES	\$ 28,737,689	\$ 30,426,239	\$ 1,688,550	\$ 30,426,239
NON - SALARIES	6,922,422	6,518,477	\$ (403,944)	\$ 6,333,871
<b>TOTAL OPERATING BUDGET</b>	<b>\$ 35,660,110</b>	<b>\$ 36,944,716</b>	<b>\$ 1,284,606</b>	<b>\$ 36,760,110</b>
CHANGE	3.2%	3.6%		3.08%
FUNDING IMPACT	\$ 1,117,375	\$ 1,284,606		\$ 1,100,000
MAJOR ESCALATION/COST DRIVERS		\$ 1,845,653		\$ 1,845,653
OFFSETTING REDUCTIONS		\$ (561,047)		\$ (745,653)
BALANCE		<u>\$ 0</u>		<u>\$ 0</u>

We requested 3.6% or \$1,284,606, and Fincom provided 3.08%, or \$1,100,000  
\$184.6K Gap between original Fincom GL and CPS Request

# FY18 Budget Development

## Process Update – Fincom GL Revised

DESCRIPTION	FY17 Adopted Budget	FY18 Preliminary Budget	FY18 - FY17 Difference	Revised FY18 Fin Com GL Budget
SALARIES	\$ 28,737,689	\$ 30,426,239	\$ 1,688,551	\$ 30,412,317
NON - SALARIES	6,922,422	6,518,477	\$ (403,945)	\$ 6,397,794
<b>TOTAL OPERATING BUDGET</b>	<b>\$ 35,660,110</b>	<b>\$ 36,944,716</b>	<b>\$ 1,284,606</b>	<b>\$ 36,810,111</b>
CHANGE	3.2%	3.6%		3.22%
FUNDING IMPACT	\$ 1,117,375	\$ 1,284,606		\$ 1,150,001
MAJOR ESCALATION/COST DRIVERS		\$ 1,738,285		\$ 1,738,285
OFFSETTING REDUCTIONS		\$ (453,679)		\$ (588,284)
BALANCE		<u>\$ 0</u>		<u>\$ 0</u>

\$134.6K Gap between Revised Fincom GL and CPS  
Request is manageable

# FY18 Budget Development Process Update – Original Request

MAJOR ESCALATION & COST DRIVERS		RECOMMENDATION FOR SC ADOPTION	FINCOM GL
	PROGRAM ARE	FY18 INCREASES	FY18 INCREASE
STEPS - <i>Initial</i>	1010 - 2400	\$ 353,730	\$ 353,730
STEPS - <i>Mid-Year</i>	1011 - 2400	177,038	177,038
LANES	1010 - 2400	75,000	75,000
2 % SCALE	1010 - 2400	377,580	377,580
TEACHER SALARY ESCALATION	2.8%	983,348	983,348
CO-CURRICULAR, PRE-SCHOOL, SUBSTITUTES - LINE INCREASES	2330	49,356	49,356
K5 FOREIGN LANGUAGE 3.0 FTE	1041 - 1043	199,371	199,371
CMS LATIN TEACHER .5 FTE	1080	37,213	37,213
BUDGET SALARY ADJUSTMENTS & NEW POSITIONS	0.8%	285,940	285,940
OTHER NON CBU & CBU SALARY ESCALATION	1010 - 4670	272,055	272,055
SPECIAL EDUCATION TUTORS & AIDES	1200 - 1201	142,754	142,754
OTHER STAFFING SALARY ESCALATION	1.2%	414,808	414,808
MAINTENANCE VEHICLES (Non-buses)	4640	32,368	32,368
MAINTENANCE CONTRACTED SERVICES (Grounds & Buildings)	4640	75,000	75,000
UTILITIES/OTHER ( <i>Electricity &amp; Water</i> )	4690	49,735	49,735
OPERATIONS ESCALATION	0.4%	157,103	157,103
OTHER NET ESCALATION	0.01%	4,454	4,454
<b>TOTAL INCREASES</b>	<b>5.2%</b>	<b>1,845,653</b>	<b>1,845,653</b>

# FY18 Budget Development Process Update – Revised Request

MAJOR ESCALATION & COST DRIVERS		RECOMMENDATION FOR SC ADOPTION	FINCOM GL
	PROGRAM ARE	FY18 INCREASES	FY18 INCREASE
STEPS - <i>Initial</i>	1010 - 2400	\$ 353,730	\$ 353,730
STEPS - <i>Mid-Year</i>	1011 - 2400	177,038	177,038
LANES	1010 - 2400	75,000	75,000
2 % SCALE	1010 - 2400	377,580	377,580
TEACHER SALARY ESCALATION	2.8%	983,348	983,348
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UTILITIES/OTHER ( <i>Electricity &amp; Water</i> )	4690	49,735	49,735
OPERATIONS ESCALATION	0.4%	49,735	49,735
OTHER NET ESCALATION	0.01%	4,454	4,454
<b>TOTAL INCREASES</b>	<b>5.2%</b>	<b>1,738,285</b>	<b>1,738,285</b>

Revised requests drops buildup of Non-bus Vehicle maintenance (\$32.4K) and Maintenance Contracted Services (\$75K)

# FY18 Budget Development Process Update – Original Reductions

<u>OFFSETTING REDUCTIONS</u>				
	PROGRAM AREA	FY18 REDUCTIONS		
<u>PRELIMINARY BUDGET REQUEST REDUCTIONS</u>				
SPECIAL EDUCATION TUITIONS	1200 - 1201	(240,000)		(240,000)
SALARY CONTINGENCY	2340	(190,903)		(190,903)
TRANSPORTATION, BUILDING SERVICES ADJUSTMENTS	4660 & 4630	(58,458)		(58,458)
BUILDINGS S/M	4640	(40,000)		(40,000)
UTILITIES/HEATING	4680	(31,686)		(31,686)
<b>TOTAL DECREASES</b>	<b>-1.6%</b>	<b>(561,047)</b>		<b>(561,047)</b>
<u>ADDITIONAL REDUCTION FC GL</u>				
DELETE SCHOOL BUS REPLACEMENT				(200,000)
DECREASE PREVIOUS TRANSPORTATION REDUCTION DUE TO INCREASED FLEET MAINTENANCE COSTS				15,394
<b>FINCOM GL RESPONSE ADJUSTMENT SUBTOTAL</b>	<b>0.0%</b>		<b>-0.50%</b>	<b>(184,606)</b>
<b>NET CHANGE</b>	<b>3.60%</b>	<b>\$ 1,284,605</b>	<b>3.08%</b>	<b>\$ 1,100,000</b>

# FY18 Budget Development

## Process Update – Revised Reductions

OFFSETTING REDUCTIONS				
	PROGRAM AREA	FY18 REDUCTIONS		
<b><u>PRELIMINARY BUDGET REQUEST REDUCTIONS</u></b>				
CAPITAL OUTLAY				(18,575)
TRANSPORTATION				(44,620)
MAINTENANCE VEHICLES				(7,500)
CUSTODIAL OVERTIME				(5,000)
SPECIAL EDUCATION TUITIONS	1200 - 1201	(211,090)		(240,000)
SALARY CONTINGENCY	2340	(190,903)		(190,903)
BUILDINGS S/M	4640	(30,000)	(5,000)	(45,000)
UTILITIES/HEATING	4680	(21,686)	(5,000)	(36,686)
<b>TOTAL DECREASES</b>	<b>-1.6%</b>	<b>(453,679)</b>		<b>(588,284)</b>
<b><u>ADDITIONAL REDUCTION FC GL</u></b>				
DELETE SCHOOL BUS REPLACEMENT				
DECREASE PREVIOUS TRANSPORTATION REDUCTION DUE TO INCREASED FLEET MAINTENANCE COSTS				
<b>FINCOM GL RESPONSE ADJUSTMENT SUBTOTAL</b>	<b>0.0%</b>			
<b>NET CHANGE</b>				
<b>NET CHANGE</b>	<b>3.60%</b>	<b>\$ 1,284,605</b>	<b>3.22%</b>	<b>\$ 1,150,001</b>