

Berlin-Boylston Regional School District FY22 Budget: Open Hearing

February 23, 2021

Presented by:

Jeff Zanghi, Superintendent of Schools

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Budget Goal

- Deliver a budget that is within the fiscal means of the Town of Berlin and the Town of Boylston, while meeting the needs of students
 - Town target assessment increases of 2.5% to 3.0%
 - Provide needed resources to address impacts of pandemic (tutors, technology, other supports)

Items to be presented

1. Summary of revisions since preliminary presentation
2. Revised building level budgets (operating and capital)
3. Revenue budgets, minimum local contributions, and assessment data

Assumptions and risks

1. Full-in learning mode for school year 2021-2022
2. Successful refinancing of Tahanto building bond, scheduled for April 2021
3. Modification to health care plan design, proposed by Administration to Insurance Advisory Committee, subject to union / SCOM approval
4. ESSER 2 funds available to the district to supplement operating budget and address additional needs related to COVID-19 impact on learning, instruction and operations

FY22 Budget Revisions

	Berlin Memorial	Boylston Elementary	Tahanto MS-HS	Total
FY22 Budget (Prelim)	\$ 3,939,994	\$ 4,275,232	\$ 9,848,337	\$ 18,063,564
Budget Transfer (from town budgets)				
Worcester Reg. Retirement Assessment	\$ 55,784	\$ 90,790		\$ 146,574
Adjustments - Open Hearing				
Health Care Plan Design Change	\$ (36,544)	\$ (45,808)	\$ (98,083)	\$ (180,435)
Health care enrollment changes			\$ (20,262)	\$ (20,262)
Retiree health care		\$ 32,155		\$ 32,155
Teacher/staff pay - adjustments	\$ (738)	\$ (25,327)	\$ (11,177)	\$ (37,242)
WRRS Retirement - Adjust Est. to Actual			\$ (11,231)	\$ (11,231)
Maintenance and utilities costs		\$ (1,390)	\$ (6,363)	\$ (7,753)
Special Ed. Tuition Adjs / Prepays			\$ (55,000)	\$ (55,000)
Total Reductions	\$ (37,282)	\$ (40,370)	\$ (202,116)	\$ (279,768)
FY22 - Open Hearing Budget	\$ 3,958,496	\$ 4,325,652	\$ 9,646,221	\$ 17,930,369

FY22 Budget: Berlin Memorial School



BMS: Budget Summary

FY22 Budget: \$3,958,496

FY21 Budget: \$3,809,212

Town Budget x-fer: \$55,784 (WRRS Retirement costs)

Restated FY21 Bud: \$3,864,996

Increase of \$93,500 or 2.4%

Year over Year Changes - BMS

Key Drivers

- \$58K for 2.0 FTE increase in SPED paraprofessional staffing, and contractual increases for existing paraprofessional staff
- \$53K increase in teachers/union salaries
- \$13K from conversion of Elementary SPED Coord. position to full time
- (\$39K) reduction in health care insurance costs, due to lower than anticipated enrollment
- (\$9K) decrease from outsourcing evening custodial position after retirement of custodian last summer

FY22 Capital Requests – Berlin Memorial

- \$35,000 - Placeholder for needs identified by Facilities
Assessment project
 - \$18,000 - Electronic sign at school entrance by South Street
 - \$15,000 - Asphalt repairs and restriping of parking lot
- \$68,000 Subtotal

FY22 Budget: Boylston Elementary School



BES: Budget Summary

FY22 Budget: \$4,325,652

FY21 Budget: \$4,109,890

Town Budget x-fer: \$90,790 (WRRS Retirement costs)

Restated FY21 Bud: \$4,200,680

Increase of \$124,972 or 3.0%

Year over Year Changes - BES

Key Drivers

- \$59K due to increased participation in health insurance plans
- \$32K in retiree health care costs
- \$16K increase in teachers/union salaries
- \$19K due to increased medical / therapeutic services (O/T, P/T, et al.)
- \$16K for technology replacement (chromebooks, PCs)
- \$13K from conversion of Elementary SPED Coord. position to full time
- (\$53K) decrease in transportation costs (foster, SPED transport.)

FY22 Capital Requests – Boylston Elementary

- \$45,000 – Phone system
- \$20,000 – Pave temporary driveway for pickup/drop-off
- \$65,000 Subtotal

FY22 Budget: Tahanto Middle-High School



TMHS: Budget Summary

- FY21 Budget: \$9,249,951
- FY22 Budget: \$9,646,221
- Increase of \$396,270 or 4.3%

Year over Year Changes - TMHS

Key Drivers

- \$170K due to increases in teachers/union salaries
- \$132K increase in SPED out of district tuitions
- \$88K increase in transportation costs (\$80k - SPED transport.)
- \$16K increase in medical / therapeutic service expenses
- (\$55K) reduction in health insurance costs

Tahanto Capital Items

- \$950,000 – Bond Principal Payments
- \$646,081 – Bond Interest Payments
- **\$1,596,081 – SUBTOTAL, TAHANTO CAPITAL**

Reduction of 126,425 from last fiscal year (1,722,506 in FY21)

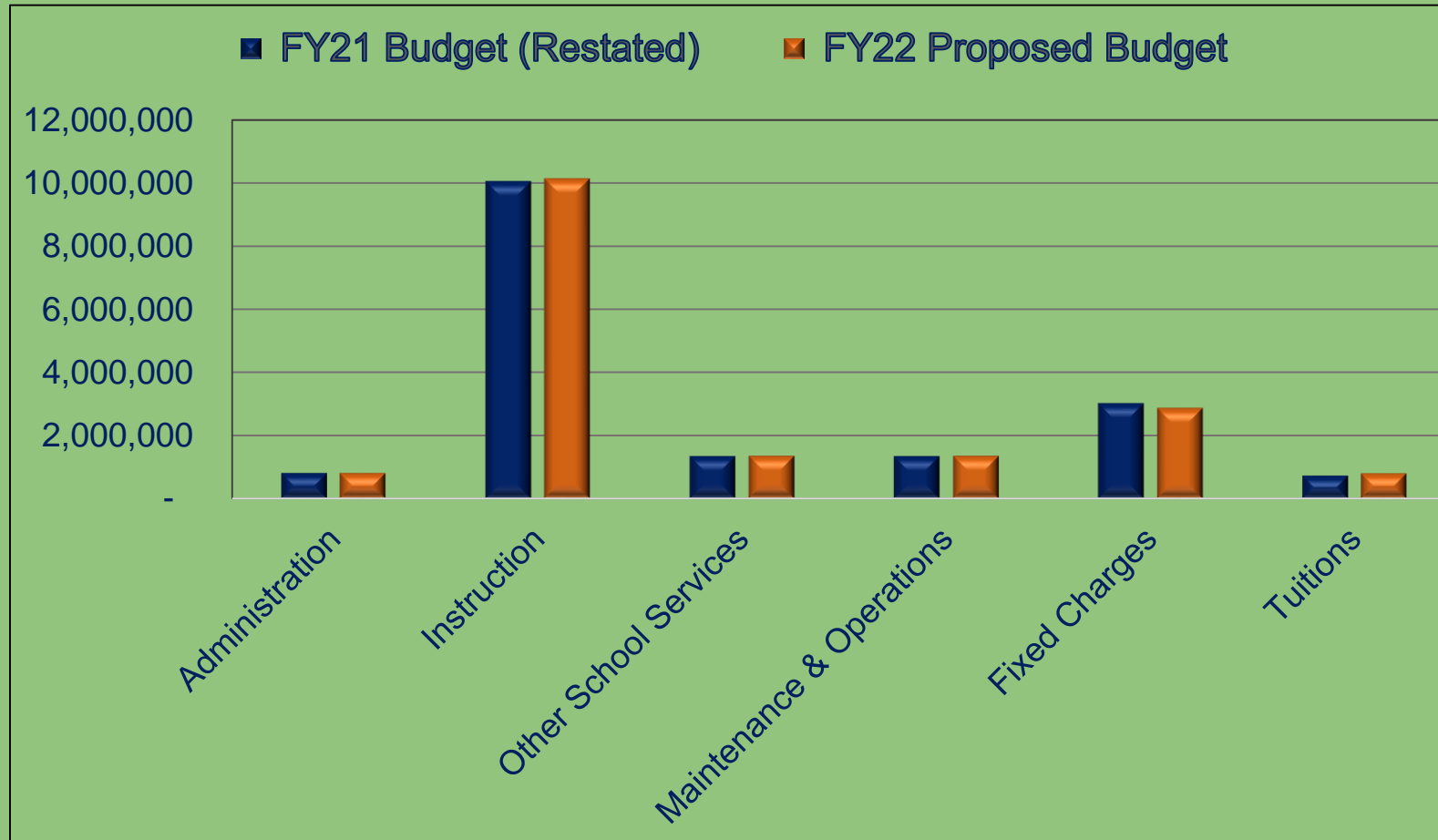
- *Assumes successful refinancing of Tahanto building project*
- *Interest rate assumption of 0.5% above current market conditions*

DISTRICT WIDE SUMMARY

DISTRICT OPERATING BUDGET SUMMARY

FY22 BUDGET - OPEN HEARING Summary by school	Berlin Memorial	Boylston Elementary	Tahanto MS-HS	Grand Total
FY21 Budget	3,809,212	4,109,890	9,249,951	17,169,053
Add: WRRS transfer from towns	55,784	90,790		146,574
FY21 Budget - Restated	3,864,996	4,200,680	9,249,951	17,315,627
FY22 Proposed Budget	3,958,496	4,325,652	9,646,221	17,930,369
Increase - \$	93,500	124,972	396,270	614,742
Increase - %	2.4%	3.0%	4.3%	3.6%

District-Wide Budget Comparison to FY21 by DESE Function



DESE Categories

■ **ADMIN** = SCHOOL COMMITTEE, SUPERINTENDENT, BUSINESS OFFICE, ADMIN TECHNOLOGY, LEGAL SERVICES

■ **INSTRUCTIONAL SERVICES** = CURRICULUM DIR & MATERIALS, SPED/PPS, CLASSROOM INSTRUCTION, TEACHERS, PARAS, PROFESSIONAL DEVELOPMENT, CLASSROOM SUPPLIES, ETC, GUIDANCE, & PSYCHOLOGICAL SVCS

■ **OTHER SCHOOL SERVICES** = NURSING, FOOD SERVICE, TRANSPORTATION, STUDENT ACTIVITIES, & ATHLETICS

■ **OPERATIONS & MAINTENANCE** = CUSTODIAL SERVICES, UTILITIES, MAINTENANCE OF BUILDINGS / GROUNDS / EQUIPMENT

■ **FIXED CHARGES** = LEASES, INSURANCE COSTS, RETIREMENT ASSESSMENT

■ **TUITIONS** = SPED OOD PLACEMENTS, SCHOOL CHOICE, CHARTER

Revenue Sources Beyond the General Fund

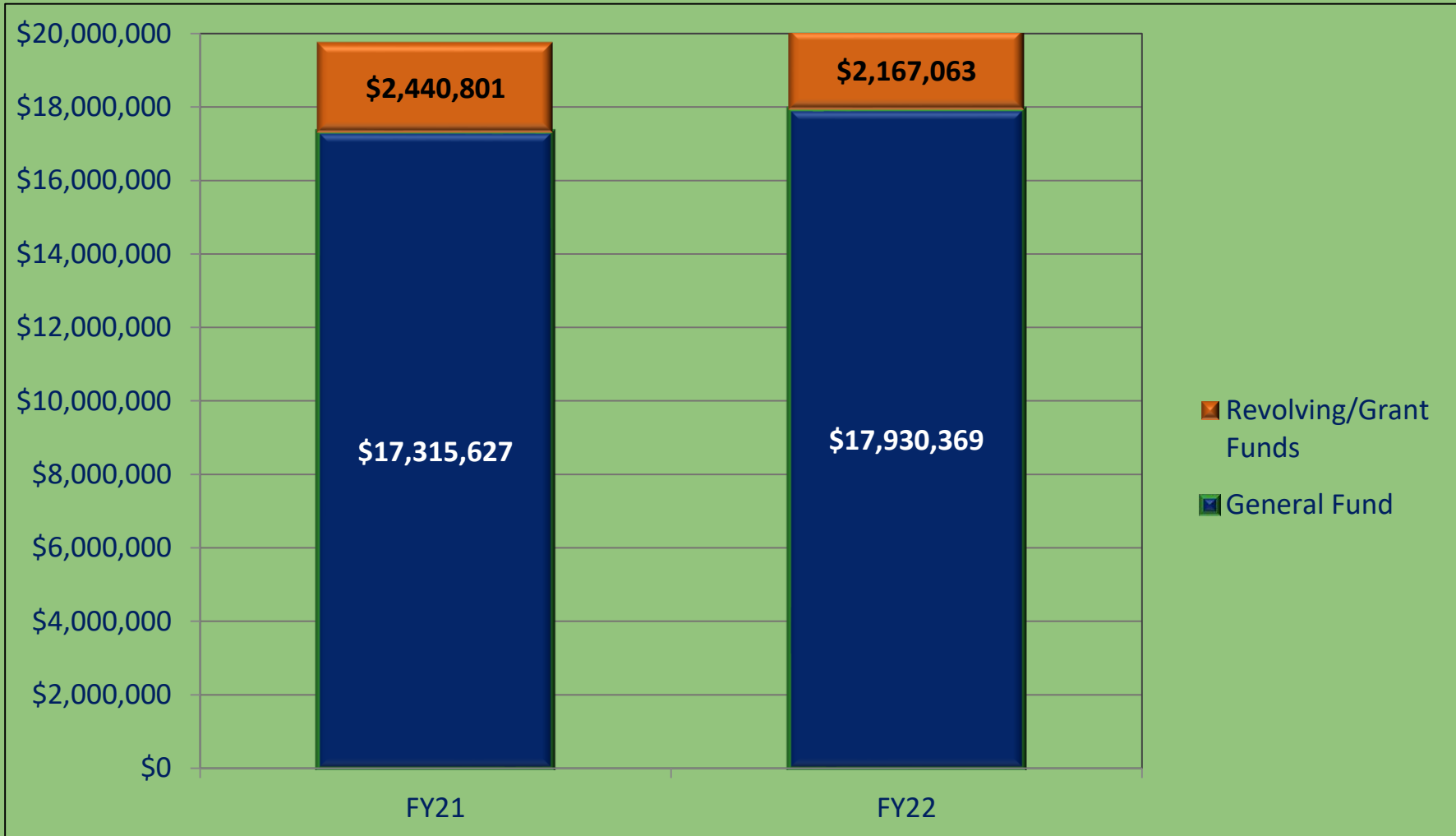
Berlin-Boylston Regional Schools Revolving Funds Update / Projection as of December 2020

	Berlin School Choice	Boylston School Choice	Tahanto School Choice	Circuit Breaker	Afterschool Program	Preschool	School Lunch	Athletics	School Rental	(note 1) Entitlement Grants	Total
FY20 Beginning	\$389,730	\$289,831	\$847,589	\$495,031	\$114,802	\$37,137	\$201,571	\$135,338	\$40,258	\$0	\$2,551,287
ACTUAL Revenue	\$93,535	\$75,932	\$406,731	\$479,213	\$152,287	\$61,248	\$262,963	\$33,835	\$9,999		\$1,575,743
ACTUAL Expense	\$611	\$100,377	\$365,914	\$500,115	\$184,662	\$68,668	\$312,279	\$62,273	\$1,050		\$1,595,949
FY20 Ending Balance	\$482,654	\$265,386	\$888,406	\$474,129	\$82,427	\$29,717	\$152,255	\$106,900	\$49,207	\$0	\$2,531,081
FY21 Beginning	\$482,654	\$265,386	\$888,406	\$474,129	\$82,427	\$29,717	\$152,255	\$106,900	\$49,207	\$0	\$2,531,081
Anticipated Revenue	\$85,000	\$60,000	\$340,000	\$380,000	\$0	\$35,283	\$96,420	\$75,000	\$3,000	\$336,563	\$1,411,266
Anticipated Expense	\$93,000	\$153,000	\$525,000	\$479,213	\$0	\$65,000	\$225,000	\$75,000	\$3,000	\$336,563	\$1,954,776
FY21 Proj'd Ending Balance	\$474,654	\$172,386	\$703,406	\$374,916	\$82,427	\$0	\$23,675	\$106,900	\$49,207	\$0	\$1,987,571
FY22 Beginning	\$474,654	\$172,386	\$703,406	\$374,916	\$82,427	\$0	\$23,675	\$106,900	\$49,207	\$0	\$1,987,571
Anticipated Revenue	\$80,000	\$70,000	\$360,000	\$380,000	\$160,000	\$65,000	\$300,000	\$90,000	\$7,500	\$336,563	\$1,849,063
Anticipated Expense	\$80,000	\$153,000	\$500,000	\$475,000	\$160,000	\$65,000	\$300,000	\$90,000	\$7,500	\$336,563	\$2,167,063
FY22 Proj'd Ending Balance	\$474,654	\$89,386	\$563,406	\$279,916	\$82,427	\$0	\$23,675	\$106,900	\$49,207	\$0	\$1,669,571

Note 1: For Grants, full award amount is reported and revenue and assumption is those funds will be fully spent within the year (for presentation purposes)

Regional District-Wide Budget

Year over Year comparison by funding source



Increase from FY21-FY22
General Funds: 3.6%
Overall/All Funds: 1.7%

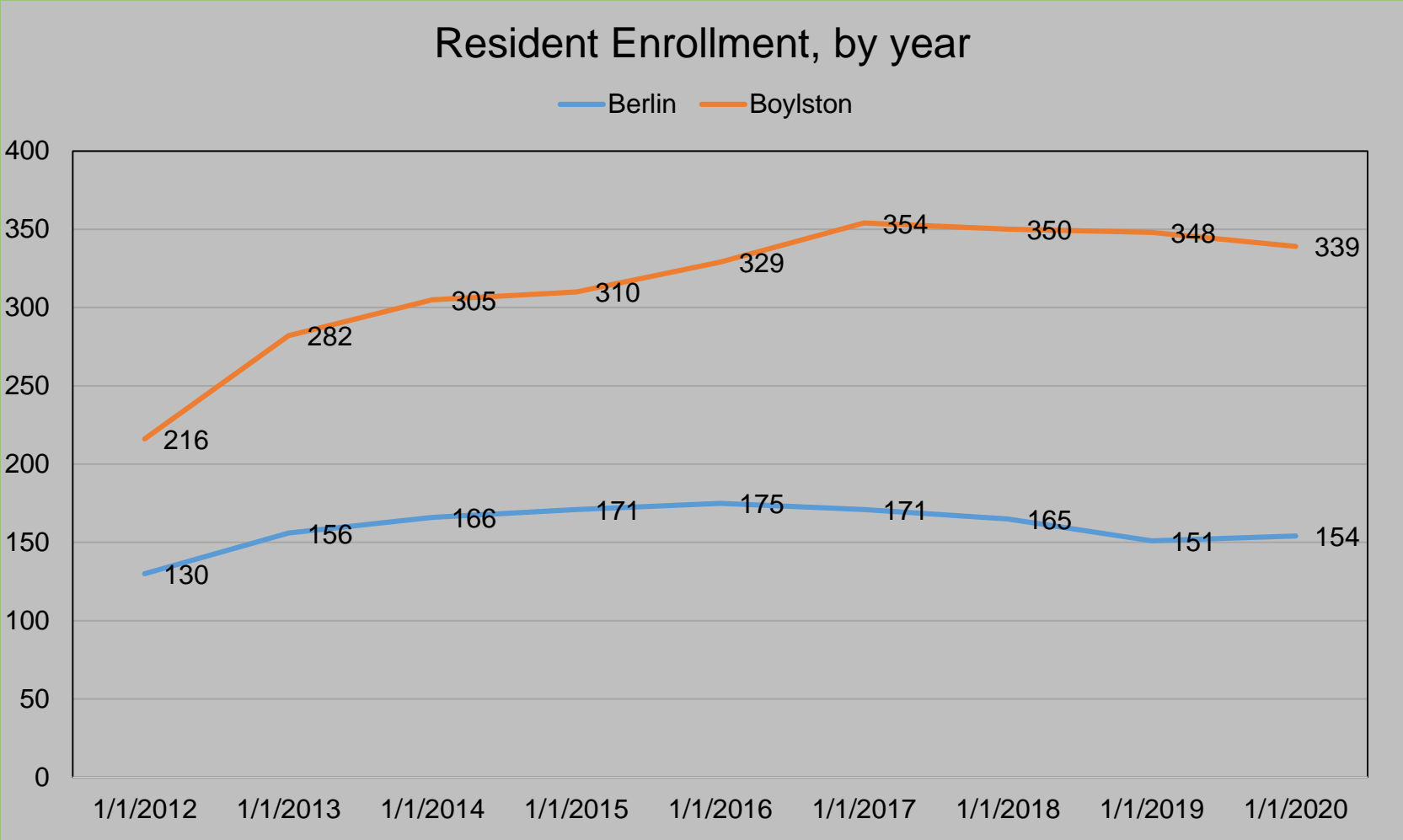
STATE AID AND REVENUES

- Stable but “flat” state aid revenues for the district
- Minimal impact of Student Opportunity Act (SOA) for Berlin-Boylston on Chapter 70 funding, similar to many MA communities

STATE AID AND REVENUES

STATE AID REVENUE	FY22	FY21	VAR (\$)
Chapter 70 Aid	\$ 2,169,034	\$ 2,168,314	\$ 720
Chapter 71 Transportation Aid	\$ 239,941	\$ 239,941	\$ -
Charter Reimbursement	\$ 10,000	\$ 10,000	\$ -
Total State Aid Revenue	\$ 2,418,975	\$ 2,418,255	\$ 720
DISTRICT REVENUE	FY22	FY21	VAR (\$)
Excess & Deficiency for Operating	\$ 60,000	\$ 60,000	\$ -
Medicaid Reimbursement	\$ 28,000	\$ 28,000	\$ -
Investment Income	\$ 12,000	\$ 12,000	\$ -
Miscellaneous	\$ 1,000	\$ 1,000	\$ -
Total District Revenue	\$ 101,000	\$ 101,000	\$ -

Tahanto Enrollment Trend by Town



TOWN ASSESSMENTS - Berlin

Town of Berlin	FY21	Xfers from Town Budget	Restated FY21 Assessment	FY22	Change (\$)	Change (%)
Berlin Memorial	3,304,741	55,784	3,360,525	3,443,613	83,088	2.5%
Tahanto MS-HS	2,623,776		2,623,776	2,796,602	172,826	6.6%
Berlin Mem'l Capital	95,000		95,000	68,000	(27,000)	-28.4%
Tahanto Capital	576,179		576,179	520,977	(55,201)	-9.6%
Total	6,599,696		6,655,480	6,829,192	173,712	2.6%
Target Increase	2.5%		Target Increase	3.0%		
Target Increase \$	166,387		Target Increase \$	199,664		
Remainder to cut	7,325		Remainder to cut	(25,952)		

TOWN ASSESSMENTS - Boylston

Town of Boylston	FY21	Xfers from Town Budget	Restated FY21 Assessment	FY22	Change (\$)	Change (%)
Boylston Elementary	3,439,710	90,790	3,530,500	3,618,603	88,103	2.5%
Tahanto MS-HS	5,281,071		5,281,071	5,562,807	281,737	5.3%
Boylston Elem. Capital	72,000		72,000	65,000	(7,000)	-9.7%
Tahanto Capital	1,146,328		1,146,328	1,075,104	(71,224)	-6.2%
Total	9,939,108		10,029,898	10,321,514	291,615	2.9%
Target Increase	2.5%		Target Increase	3.0%		
Target Increase \$	250,747		Target Increase \$	300,897		
Remainder to cut	40,868		Remainder to cut	(9,281)		

Town of Boylston

FY22 Tuition and transportation estimates for Regional Vocational students

Town of Boylston Budget for Vocational Ed.				
Budget Line	FY21	FY22	Inc. \$	Inc. %
Vocational Tuition	580,109	598,708	18,599	3.2%
Vocational Transportation	105,702	105,218	(484)	-0.5%
Subtotal	685,811	703,926	18,115	2.6%
<i>FY22 Tuition rate = 16,825</i>				

- Assumes 7 new AV enrollments for 2021-22 school year (11 applicants)
- FY22 tuition rate estimated at \$16,825 per student

Other considerations

- MIIA (health care insurer) announced a one month premium “holiday” in FY22
- The District proposes a budget neutral re-allocation of these funds, to put towards Special Ed Reserve Fund (\$50K), and OPEB Trust Fund (the remainder, ~\$110K).
- Waiting on ratification of health care plan design changes to confirm amount available

Other considerations (cont'd)

- **ESSER 2 grant - \$127,408**
- Provides towns the opportunity to apply 75% of ESSER 2 funds to fulfill part of their minimum local contribution to the regional district budget (supplant part of the assessment)
- This would result in an increase to town assessments the following year (FY23), equal to the ESSER 2 offset in FY22
- The District is seeking to access and use 100% of the ESSER 2 funds in FY22, to meet supplemental needs of students

Questions ?

Supporting information and
reference data

REVENUES /ASSESSMENTS – Boylston Elementary

	AFTER Municipal Expense Transfers		
STATE AID REVENUE	FY21	FY22	Var (\$)
Chapter 70 Aid	594,763	632,132	37,369
Chapter 71 Transportation Aid	66,917	66,917	0
Charter Reimbursement	0	0	0
Total State Aid Revenue	661,680	699,049	37,369
DISTRICT REVENUE	FY21	FY22	Var (\$)
Excess & Deficiency for Operating	0	0	0
Medicaid Reimbursement	8,000	8,000	0
Investment Income	0	0	0
Miscellaneous	0	0	0
Total District Revenue	8,000	8,000	0
LOCAL REVENUE			
BOYLSTON	FY21	FY22	Var (\$)
<i>Minimum Local Contribution</i>	2,273,843	2,426,786	152,943
<i>Above Minimum Local Contribution</i>	1,005,075	1,074,776	69,701
<i>Transportation Assessment</i>	251,582	117,041	-134,541
TOTAL LOCAL REVENUE	3,530,500	3,618,603	88,103
TOTAL FUND SOURCES	4,200,180	4,325,652	125,472
(OPERATING BUDGET)			

Operating
Assessment

REVENUES /ASSESSMENTS – Berlin Memorial

	AFTER WRRS Transfers		
	FY21	FY22	Var (\$)
STATE AID REVENUE			
Chapter 70 Aid	460,481	470,893	10,412
Chapter 71 Transportation Aid	39,990	39,990	0
Charter Reimbursement	0	0	0
Total State Aid Revenue	500,471	510,883	10,412
DISTRICT REVENUE			
Excess & Deficiency for Operating	0	0	0
Medicaid Reimbursement	4,000	4,000	0
Investment Income	0	0	0
Miscellaneous	0	0	0
Total District Revenue	4,000	4,000	0
LOCAL REVENUE			
BERLIN			
<i>Minimum Local Contribution</i>	1,388,466	1,470,102	81,636
<i>Above Minimum Local Contribution</i>	1,829,395	1,871,018	41,623
<i>Transportation Assessment</i>	142,664	102,493	-40,171
TOTAL LOCAL REVENUE	3,360,525	3,443,613	83,088
TOTAL FUND SOURCES	3,864,996	3,958,496	93,500
(OPERATING BUDGET)			

Operating
Assessment

REVENUES / ASSESSMENTS – Tahanto MS-HS

	TAHANTO		
STATE AID REVENUE	FY21	FY22	Var (\$)
Chapter 70 Aid	1,113,070	1,066,009	-47,061
Chapter 71 Transportation Aid	133,034	133,034	0
Charter Reimbursement	10,000	10,000	0
Total State Aid Revenue	1,256,104	1,209,043	-47,061
DISTRICT REVENUE	FY21	FY22	Var (\$)
Excess & Deficiency for Operating	60,000	60,000	0
Medicaid Reimbursement	16,000	16,000	0
Investment Income	12,000	12,000	0
Miscellaneous	1,000	1,000	0
Total District Revenue	89,000	89,000	0

State Aid and Revenues

REVENUES / ASSESSMENTS – Tahanto MS-HS

LOCAL REVENUE			
Minimum Local Contribution	FY21	FY22	Var (\$)
Berlin	1,517,110	1,548,391	31,281
Boylston	3,118,413	3,112,616	-5,797
Total Minimum Contribution	4,635,523	4,661,007	25,484
Above Minimum Local Contribution	FY21	FY22	Var (\$)
Berlin	977,116	1,089,305	112,189
Boylston	1,909,490	2,138,265	228,775
Total Above Minimum Contribution	2,886,606	3,227,570	340,964
Transportation Assessment	FY21	FY22	Y/Y (\$)
Berlin	129,550	158,906	29,356
Boylston	253,168	311,926	58,758
Total Transportation Assessment	382,718	470,832	88,114
TOTAL OPERATING ASSESMENT	FY21	FY22	Y/Y (\$)
Berlin	2,623,776	2,796,602	172,826
Boylston	5,281,071	5,562,807	281,737
Total Local Revenue	7,904,847	8,359,409	454,562
TOTAL FUND SOURCES	9,249,951	9,657,452	407,501

Operating
Assessment
(cont'd)