

**Wareham Public Schools**

**FY2014 End Of Year Report**

**Aug 2014**

This report summarizes the key financial statistics from FY2014. The Town’s FY14 accounts have not yet been closed / audited at the time of this report and so some of the figures may be subject to change.

**Wareham Expenditure, Chapter 70 State Aid and Net School Spending (Fiscal Years 2009 to 2014)**

|  | <b>FY10</b>         | <b>FY11</b>         | <b>FY12</b>         | <b>FY13</b>         | <b>FY14</b>                 |
|--|---------------------|---------------------|---------------------|---------------------|-----------------------------|
| <b>Expenditure</b>                           |                     |                     |                     |                     |                             |
| <b>From local appropriations for schools</b> |                     |                     |                     |                     |                             |
| By School Committee                          | \$25,586,287        | \$26,120,149        | \$26,747,564        | \$27,065,367        | \$26,916,993                |
| By Town (In-kind)*                           | \$6,506,613         | \$5,549,330         | \$4,303,957         | \$8,470,855         | \$6,500,000<br><i>(tbc)</i> |
| <b>Total from local appropriations</b>       | <b>\$32,092,900</b> | <b>\$31,669,479</b> | <b>\$31,051,521</b> | <b>\$35,536,222</b> | <b>\$33,416,993</b>         |
| From Revolving funds and grants              | \$5,732,043         | \$6,297,397         | \$5,726,690         | \$5,410,174         | \$5,170,944                 |
| <b>Total Expenditure</b>                     | <b>\$37,824,943</b> | <b>\$37,966,876</b> | <b>\$36,778,211</b> | <b>\$40,946,396</b> | <b>\$38,587,937</b>         |
| <b>Chapter 70 aid to education program</b>   |                     |                     |                     |                     |                             |
| Chapter 70 state aid**                       | \$12,242,029        | \$12,159,874        | \$12,225,154        | \$12,345,207        | \$12,416,757                |
| Required local contribution                  | \$17,409,106        | \$17,518,457        | \$17,900,064        | \$18,383,155        | \$18,523,807                |
| <b>Required Net School Spending***</b>       | <b>\$29,651,135</b> | <b>\$29,678,331</b> | <b>\$30,125,218</b> | <b>\$30,728,362</b> | <b>\$30,940,564</b>         |
| Actual net school spending                   | \$30,635,289        | \$30,486,184        | \$30,126,705        | \$33,328,357        | \$33,043,345                |
| Over / Under required (\$)                   | \$984,154           | \$807,853           | \$1,487             | \$2,599,995         | \$2,102,780                 |
| Over / Under required (%)                    | 3.3                 | 2.7                 | 0.0                 | 8.5                 | 6.8                         |

\*Does not include debt payments or school choice / Upper cape tuition payments. FY14 figure has not been finalized.

\*\*Chapter 70 state aid funds are deposited in the local general fund and spent as local appropriations.

\*\*\*Required net school spending is the total of Chapter 70 aid and required local contribution. Net school spending includes only expenditure from local appropriations, not revolving funds and grants. It includes expenditures for most administration, instruction, operations and out of district tuitions. It does not include transportation, school lunches, debt or capital.

**In-Kind Expenditure**

The ‘in-kind’ expenditure is funding which the Schools receives from the Town in the form of services rather than in direct funding. For example in-kind expenditure includes proportions of the salaries of some town personnel – including the town administrator, accountant and treasurer. In kind costs also include a proportional share of the payroll and accounting software. The largest proportion of the in-kind costs are the health care and pension costs which the Town pays on the school’s behalf. As the in-kind costs for FY14 have not been finalized, the table below shows a summary of the in-kind costs in FY13.

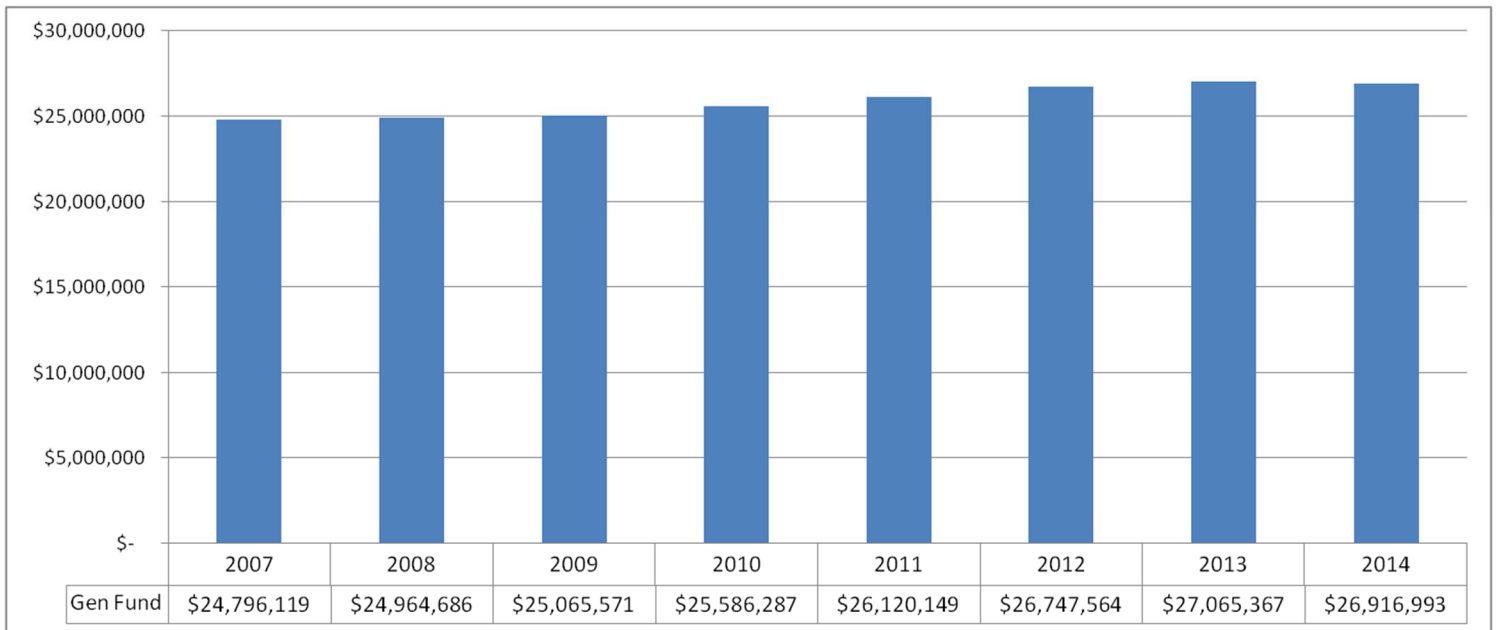
| <b>Category</b>  | <b>Expenditure</b> |
|--|--------------------|
| Administration costs                                   | \$282,893          |
| Plymouth County Retirees                               | \$1,106,519        |
| Health and Dental Costs (Active and Retired Employees) | \$6,604,106        |
| FICA/Medicare  | \$300,935          |
| Unemployment Benefits                                  | \$184,648          |
| Workman's Comp   | \$153,962          |
| MIIA Liability Insurance                               | \$41,544           |
| Medicaid Billing (credited to the schools)             | -\$259,674         |
| Other  | \$50,861           |

The significant increase in our health care costs in FY13 has pushed our expenditure over the required net school spending. This was in part due to the impact of the 'health care holiday' in FY12 and ongoing trend in health care costs. Looking ahead, changes to management of health insurance by the town should reduce this and bring us back down closer to Net School Spending requirements.

**Revenue**

**General Operation Budget**

The general operating budget is that part of our budget which comes directly from the Town. The chart below shows the modest increases in from 2007 to 2012, with the rate of growth slowing since then.

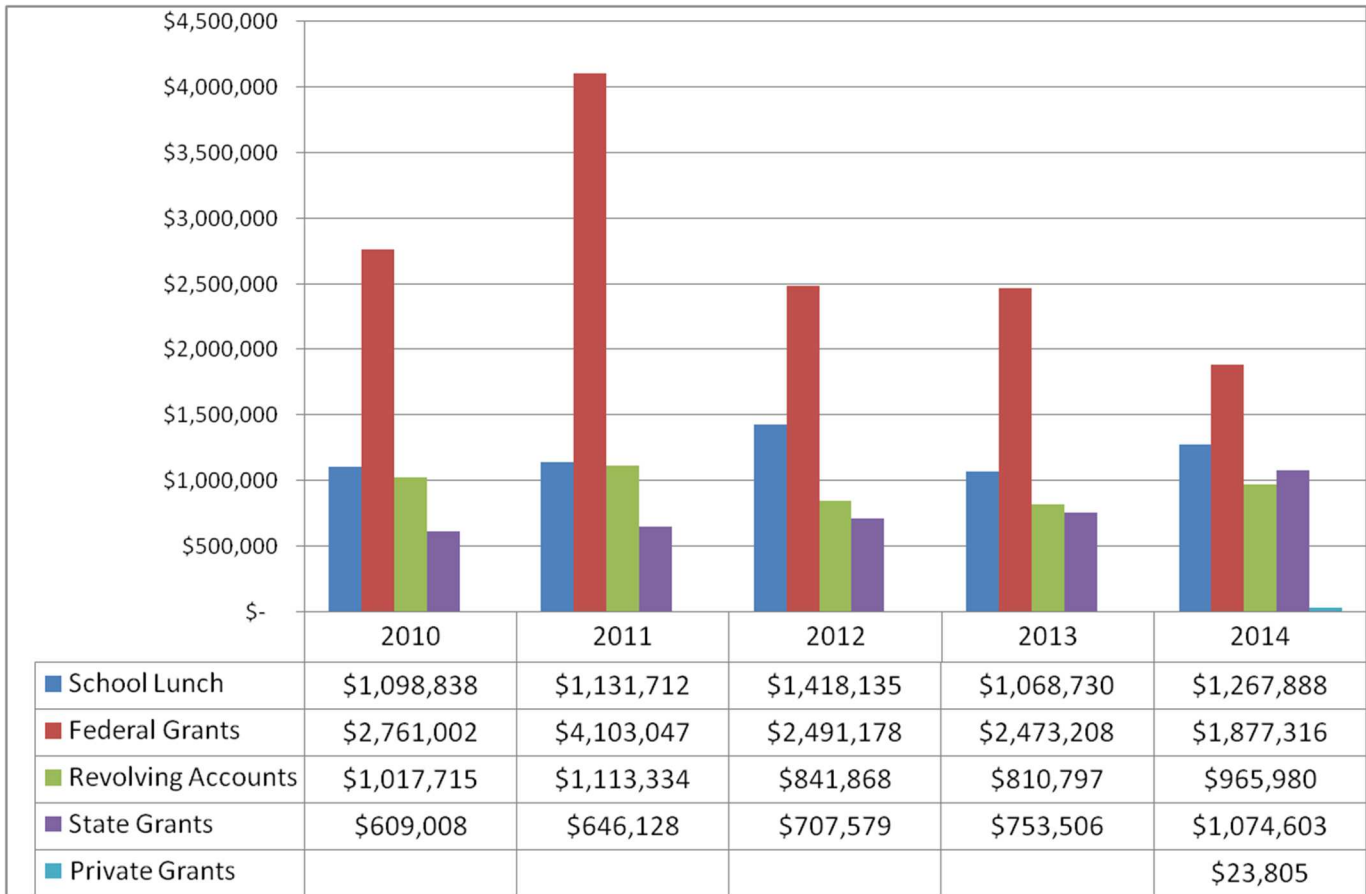


**Revolving Funds and Grants**

Revenue from revolving funds and grants are an important part of our funding and make possible many activities which otherwise would not be funded. However, by their nature, revolving funds and grants usually require targeting particular programs/ populations and often involve many restrictions and reporting requirements.

Income from other sources has also leveled off since 2012. Federal grants saw a sharp drop from 2011 to 2012 and another drop– though less drastic – from 2013 to 2014.

Historic comparison of Grant and Revolving Funds Income FY2010 to FY2014



To give a sense of what is included in grants and revolving funds, the two tables below show the top 10 grants and revolving funds of FY2014, based on expenditure (see Annex B and C for the full list of all revolving funds and grants).

Grants

| Row Labels                          | 2012       |            | 2013       |            | 2014       |            |
|-------------------------------------|------------|------------|------------|------------|------------|------------|
|                                     | Receipts   | Payments   | Receipts   | Payments   | Receipts   | Payments   |
| Individual with Disabilities 94-142 | \$ 628,563 | \$ 727,113 | \$ 856,592 | \$ 715,140 | \$ 424,797 | \$ 560,229 |
| Circuit Breaker                     | \$ 452,882 | \$ 284,815 | \$ 475,513 | \$ 442,102 | \$ 735,807 | \$ 528,316 |
| Title one                           | \$ 558,353 | \$ 584,870 | \$ 502,342 | \$ 534,331 | \$ 550,875 | \$ 482,378 |
| Improving Educator Quality          | \$ 131,471 | \$ 190,037 | \$ 178,311 | \$ 139,750 | \$ 138,148 | \$ 152,827 |
| Mass. 21 Century Comm. Learning     | \$ 101,153 | \$ 103,006 | \$ 117,564 | \$ 107,052 | \$ 97,875  | \$ 134,593 |
| Elem. Educ. Grant                   | \$ 59,972  | \$ 63,159  | \$ 63,581  | \$ 64,568  | \$ 98,247  | \$ 113,256 |
| K Enhanced Program                  | \$ 84,264  | \$ 84,264  | \$ 114,020 | \$ 114,020 | \$ 114,020 | \$ 108,235 |
| Care Minot/High School              | \$ -       | \$ -       | \$ -       | \$ -       | \$ 99,763  | \$ 89,305  |
| Coord. Fam. & Community             | \$ 90,197  | \$ 91,684  | \$ 75,164  | \$ 92,709  | \$ 108,102 | \$ 87,860  |
| Income Eligible Contract            | \$ 90,299  | \$ 122,231 | \$ 61,740  | \$ 58,086  | \$ 66,667  | \$ 87,719  |

## Revolving Funds

| Row Labels           | 2012       |            | 2013       |            | 2014       |            |
|----------------------|------------|------------|------------|------------|------------|------------|
|                      | Receipts   | Payments   | Receipts   | Payments   | Receipts   | Payments   |
| Transportation       | \$ 151,803 | \$ 151,803 | \$ 193,356 | \$ 126,627 | \$ 339,723 | \$ 155,583 |
| School Choice        | \$ 185,614 | \$ 236,329 | \$ 243,865 | \$ 331,505 | \$ 203,176 | \$ 119,328 |
| Gift-Makepeace       | \$ 48,036  | \$ 63,890  | \$ 34,367  | \$ 12,737  | \$ 41,214  | \$ 82,375  |
| West Academy Tuition | \$ 45,986  | \$ 79,283  | \$ 11,848  | \$ 101,737 | \$ 93,970  | \$ 79,164  |
| Athletic Receipts    | \$ 72,205  | \$ 88,052  | \$ 72,960  | \$ 70,734  | \$ 66,583  | \$ 70,204  |
| State Wards          | \$ 52,260  | \$ 52,928  | \$ 46,153  | \$ 40,395  | \$ 48,565  | \$ 56,672  |
| School Property      | \$ 42,960  | \$ 35,962  | \$ 39,113  | \$ 65,015  | \$ 29,849  | \$ 31,629  |
| Gift-Decas           | \$ 15,000  | \$ 11,831  | \$ 500     | \$ 4,637   | \$ 15,025  | \$ 30,346  |
| Gift-High            | \$ 15,666  | \$ 15,709  | \$ 21,881  | \$ 19,317  | \$ 23,495  | \$ 28,066  |
| Drivers Ed.          | \$ 11,060  | \$ 12,698  | \$ 27,523  | \$ 24,387  | \$ 40,260  | \$ 27,722  |

Revolving accounts gives us some flexibility to spread payments across years. Following historic practice, and good fiscal practice, we have maintained a balance in these accounts to help fund the following year's activities. In Annex D I have listed all revolving accounts which ended the year with a balance over \$10,000, with historic data from the previous two years to compare. Here, I have provided a short overview of the three biggest funds: circuit breaker, transportation and school choice.

### Circuit Breaker

The state special education reimbursement program, commonly known as the circuit breaker program, provides additional state funding to districts for high-cost special education students (see the attached note on circuit breaker).

The amount that we receive each year reflects our qualifying expenditure in the prior year and the state's reimbursement percentage – which is determined each year.

In the above table the relatively high figure for receipts in FY2014 is due to three factors: 1) it includes one payment from the previous year (the funds are paid out by DESE on 6/28 and so often are not paid in to our accounts until July. (2) the relatively high SPED costs in the previous year and (3) a high reimbursement percentage from DESE. This high ending balance will help to alleviate special education costs in FY2014.

### Transportation

Income to the transportation revolving account comes from fees for transportation services from clubs, athletics and third party use, it also includes the 'Mckinney-vento' funding we receive from the state for transporting students in and out of the district. (The McKinney-Vento Homeless Education Assistance Act provides for ensuring equal access to public education for homeless children).

The funds received in to the Transportation Revolving account are used to pay the costs of providing those services and also to purchase replacement buses where required. In FY2014 we had to freeze planned expenditure following a Department of Revenue review of the Town's finances. We are currently planning to purchase 4-6 used buses to replace existing buses in FY15.

### School Choice

The school choice program allows parents to send their children to schools in communities other than the city or town in which they reside. Tuition is paid by the sending district to the receiving district. Districts may elect not to enroll school choice students if no space is available.

School choice revenue is the funds we receive for those students coming into Wareham from other districts. These funds are for educational related expenditure. It is the practice to budget the previous year's revenue as the amount available

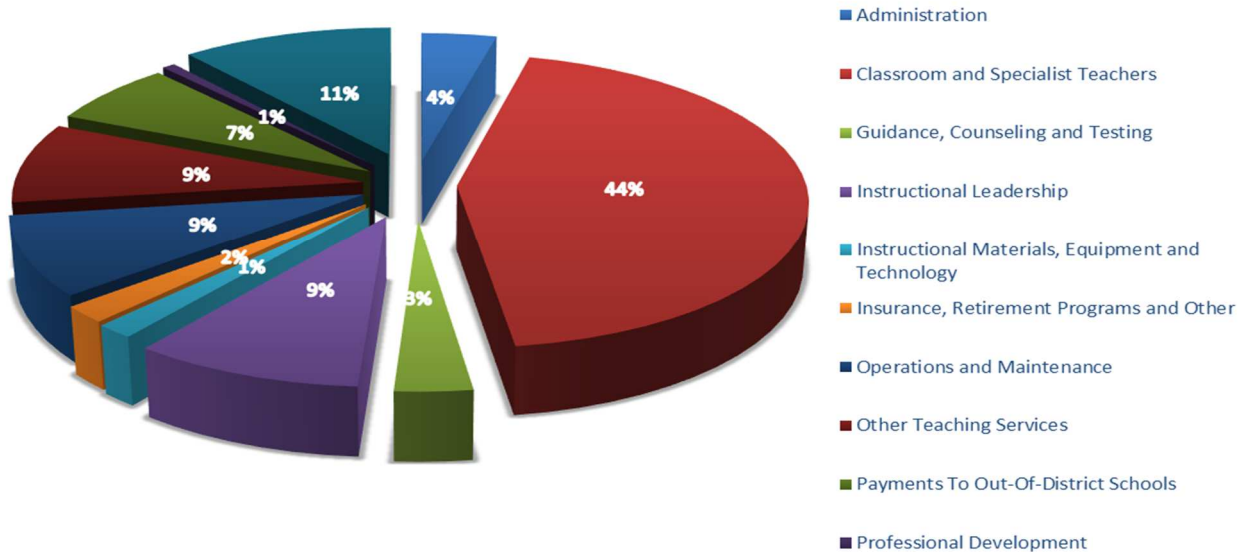
for the current operation expenses. This practice ensures funding for the following year and spending against received vs anticipated revenue. As can be seen from the tables above School Choice revenue in 2013 was up from 2012 but then fell in 2014. Below I've provided a breakdown of where the students coming into Wareham have come from over the last three years:

| <b>BY TOWN</b>     | <b>2012</b> | <b>2013</b> | <b>2014</b> |
|--------------------|-------------|-------------|-------------|
| Barnstable         | 2           |             |             |
| Bourne             | 17          | 21          | 18          |
| Brockton           | 1           | 1           |             |
| Carver             | 4           | 2           |             |
| Dartmouth          |             |             | 1           |
| E.Falmouth         |             |             | 2           |
| Fairhaven          |             |             | 3           |
| Fall River         |             | 1           | 1           |
| Falmouth           | 4           | 5           | 1           |
| Hyannis            |             |             | 1           |
| Marion             |             | 2           | 4           |
| Mashpee            | 1           |             |             |
| Mattapoisett       |             | 5           | 3           |
| Middleboro         |             | 2           |             |
| New Bedford        | 4           | 6           | 4           |
| ORR                | 3           |             |             |
| Plymouth           | 10          | 16          | 9           |
| Rochester          |             | 1           |             |
| Sandwich           | 5           | 4           | 6           |
| W.Bridgewater      | 2           |             | 1           |
| Weymouth           | 2           |             |             |
| <b>Grand Total</b> | <b>55</b>   | <b>66</b>   | <b>54</b>   |

## EXPENDITURE

The chart below shows how all funding we received was spent in FY14. In the chart, expenditure is categorized by major account – as our monthly budget reports are also grouped. Classroom teachers make up 44% of the overall budget – FY2013 was 45%.

**Total Expenditure By Major Account**



The table below compares this expenditure to previous years' expenditure by major account. Administration, Classroom and specialist teachers and insurance, retirement programs show increases from 2013 to 2014.

| Major Account                                     | 2010                | 2011                | 2012                | 2013                | 2014                |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| Administration                                    | \$1,000,679         | \$1,069,611         | \$1,059,848         | \$1,164,420         | \$1,244,296         |
| Classroom and Specialist Teachers                 | \$13,307,869        | \$13,803,592        | \$13,905,770        | \$13,485,677        | \$14,094,864        |
| Guidance, Counseling and Testing                  | \$1,074,743         | \$1,230,848         | \$1,235,398         | \$1,118,533         | \$1,022,326         |
| Instructional Leadership                          | \$3,336,453         | \$3,237,101         | \$3,506,533         | \$3,270,499         | \$3,028,758         |
| Instructional Materials, Equipment and Technology | \$707,870           | \$997,305           | \$507,935           | \$557,245           | \$505,091           |
| Insurance, Retirement Programs and Other          | \$399,476           | \$257,032           | \$437,441           | \$426,800           | \$603,474           |
| Operations and Maintenance                        | \$2,855,021         | \$2,866,182         | \$2,699,761         | \$2,950,676         | \$2,857,593         |
| Other Teaching Services                           | \$2,913,050         | \$2,997,597         | \$2,813,725         | \$3,086,047         | \$2,819,363         |
| Payments To Out-Of-District Schools               | \$1,948,267         | \$2,072,331         | \$2,322,723         | \$2,399,700         | \$2,164,882         |
| Professional Development                          | \$266,919           | \$260,309           | \$341,595           | \$332,309           | \$217,131           |
| Pupil Services                                    | \$3,479,161         | \$3,625,638         | \$3,643,523         | \$3,683,635         | \$3,530,209         |
| <b>Grand Total</b>                                | <b>\$31,289,508</b> | <b>\$32,417,546</b> | <b>\$32,474,253</b> | <b>\$32,475,542</b> | <b>\$32,087,987</b> |

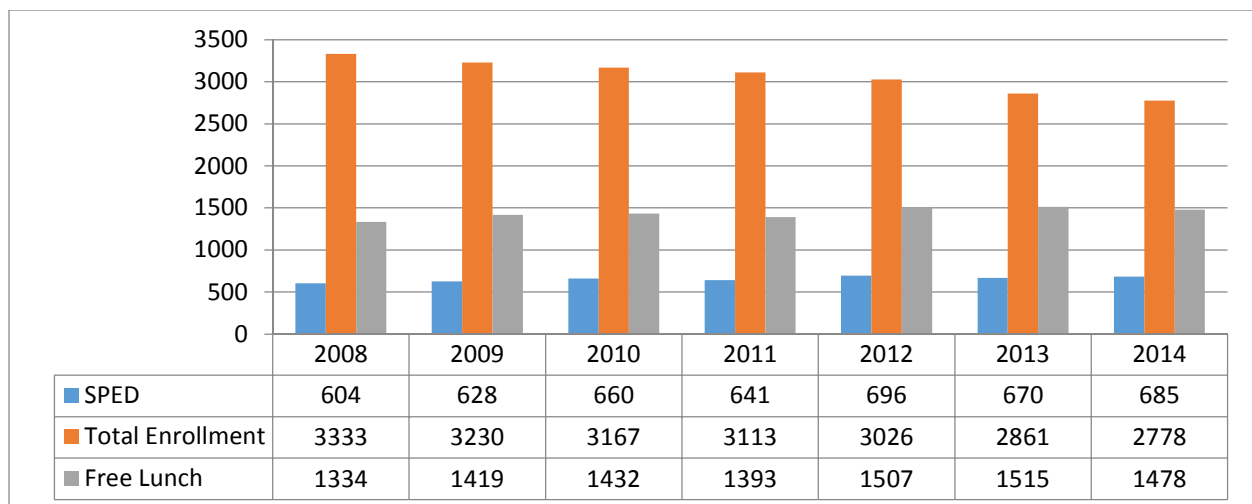
## Students and Staffing

Information on student and staffing levels is included here as they are our primary cost drivers. As can be seen in the table and graph that follow, while we have a lower than average diversity of race/ ethnicity, our special education and low income numbers are high both as compared to the state and historically for the district.

### Student Enrollment by Race/Ethnicity and Selected Populations (based on October 1<sup>st</sup> data)

| Selected Populations        | Number | Percent of total | Percent of state | Enrollment by Race / Ethnicity     | Number | Percent of total | Percent of state |
|-----------------------------|--------|------------------|------------------|------------------------------------|--------|------------------|------------------|
| <b>Total Enrollment</b>     | 2,778  | 100%             |                  | African American / Black           | 222    | 8%               | 8.7%             |
| First Language not English  | 25     | 0.9%             | 17.8%            | Asian                              | 30     | 1.1%             | 6.1%             |
| Limited English Proficiency | 14     | 0.5%             | 7.9%             | Hispanic/Latino                    | 152    | 5.5%             | 17%              |
| Special Education           | 685    | 22.4%            | 17%              | White                              | 2065   | 74%              | 64.9%            |
| Low Income                  | 1478   | 53.8%            | 38.3%            | Native American                    | 34     | 1.2%             | 0.2%             |
| Free Lunch                  | 1244   | 45.3%            | 33.6%            | Native Hawaiian / Pacific Islander | 1      | 0%               | 0.1%             |
| Reduced Price Lunch         | 234    | 8.5%             | 4.7%             | Multi Race, non-hispanic           | 274    | 9.8%             | 2.9%             |

Our overall enrollment continues to drop. However our special education numbers has increased and our low income number has not fallen at the same rate as overall enrollment – this changing profile has an impact on our budgeting decisions.

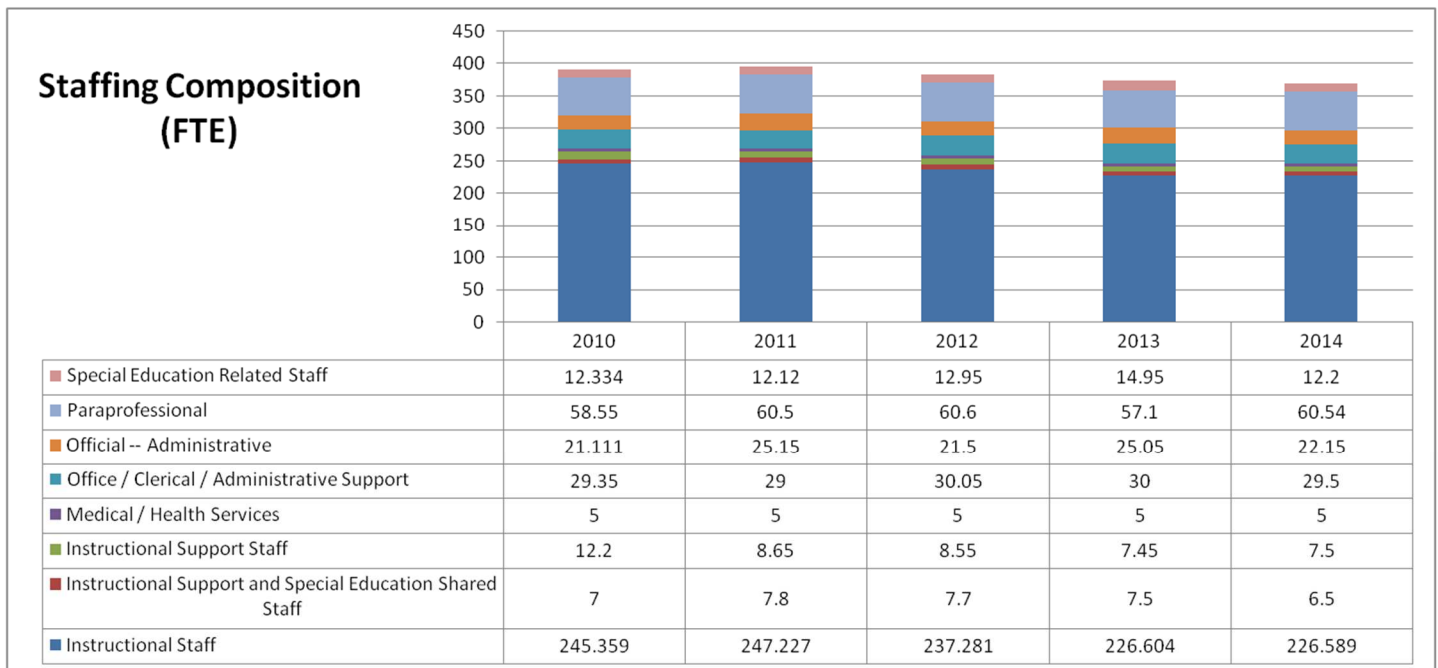


## Staffing

This table shows the proportion of expenditure from our general fund (i.e. excluding grants and revolving funds) spent on salaries. The overall proportion of our budget which we spent on salaries increased slightly from FY14.

|  | 2010          | 2011          | 2012          | 2013          | 2014          |
|--|---------------|---------------|---------------|---------------|---------------|
| <b>Salary Expenditure</b>                            | <b>81.00%</b> | <b>80.13%</b> | <b>82.64%</b> | <b>80.53%</b> | <b>80.89%</b> |
| Classified Salaries (Custodians / Paraprofessionals) | 11.45%        | 9.97%         | 11.17%        | 11.67%        | 11.73%        |
| Clerical Salaries                                    | 3.60%         | 3.83%         | 3.77%         | 3.85%         | 4.13%         |
| Professional / Certified Salary                      | 65.95%        | 66.33%        | 67.70%        | 65.01%        | 65.03%        |
| <b>Non Salary Expenditure</b>                        | <b>19.00%</b> | <b>19.87%</b> | <b>17.36%</b> | <b>19.47%</b> | <b>19.11%</b> |

The table below shows how the composition of our staff has changed since 2010. This table below only includes positions that are reported to the state – this does not include positions such as custodians, bus drivers and food service workers.



## Expenditure on Substitutes

As the table below shows, there was a reduction in overall expenditure on substitutes from 2013 to 2014. This seems to have been largely driven by a reduction in the number of long term substitutes. The significant change on the system/district line shows a change in our approach to accounting for long term substitutes. In the past long term subs were charged at the district level, however, we now track that expenditure at the school level. The district has also sought to minimize the necessity for teachers to be out of the classroom for professional development.



Expenditure on substitutes – short and long term substitutes (from all funds).

| Function           | 2007              | 2008              | 2009              | 2010              | 2011              | 2012              | 2013              | 2014              |
|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| ⊕ Alternative HS   | \$ -              | \$ -              | \$ -              | \$ 12,503         | \$ 25,034         | \$ 18,712         | \$ 12,946         | \$ 11,394         |
| ⊕ Decas            | \$ 69,918         | \$ 75,129         | \$ 87,096         | \$ 67,559         | \$ 71,453         | \$ 112,526        | \$ 67,822         | \$ 84,449         |
| ⊕ East             | \$ 35,816         | \$ 18,317         | \$ -              | \$ 32,494         | \$ 26,737         | \$ 25,585         | \$ 28,961         | \$ 22,840         |
| ⊕ Grants           | \$ 567            | \$ 82             | \$ 135,557        | \$ 317            | \$ 1,866          | \$ 9,647          | \$ 2,345          | \$ 5,584          |
| ⊕ Hammond          | \$ 40,240         | \$ 51,814         | \$ 42,870         | \$ 22,551         | \$ 26,549         | \$ 17,464         | \$ -              | \$ -              |
| ⊕ MiddleSchool     | \$ 111,611        | \$ 178,111        | \$ 108,299        | \$ 109,903        | \$ 119,762        | \$ 84,407         | \$ 59,290         | \$ 123,100        |
| ⊕ Minot            | \$ 70,363         | \$ 79,186         | \$ 85,319         | \$ 55,297         | \$ 83,114         | \$ 73,214         | \$ 93,000         | \$ 68,881         |
| ⊕ SPED             | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ 2,474          |
| ⊕ System/District  | \$ 6,750          | \$ 2,084          | \$ 1,940          | \$ 5,152          | \$ 16,660         | \$ 48,350         | \$ 178,731        | \$ 35,612         |
| ⊕ Wareham HS       | \$ 162,391        | \$ 128,014        | \$ 107,604        | \$ 127,888        | \$ 118,505        | \$ 96,384         | \$ 96,939         | \$ 118,732        |
| ⊕ West             | \$ 7,161          | \$ 5,076          | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              |
| ⊕ West Academy     | \$ -              | \$ -              | \$ -              | \$ 31,618         | \$ 4,997          | \$ 3,318          | \$ 4,024          | \$ 8,317          |
| <b>Grand Total</b> | <b>\$ 504,817</b> | <b>\$ 537,814</b> | <b>\$ 568,686</b> | <b>\$ 465,282</b> | <b>\$ 494,678</b> | <b>\$ 489,606</b> | <b>\$ 544,058</b> | <b>\$ 481,383</b> |

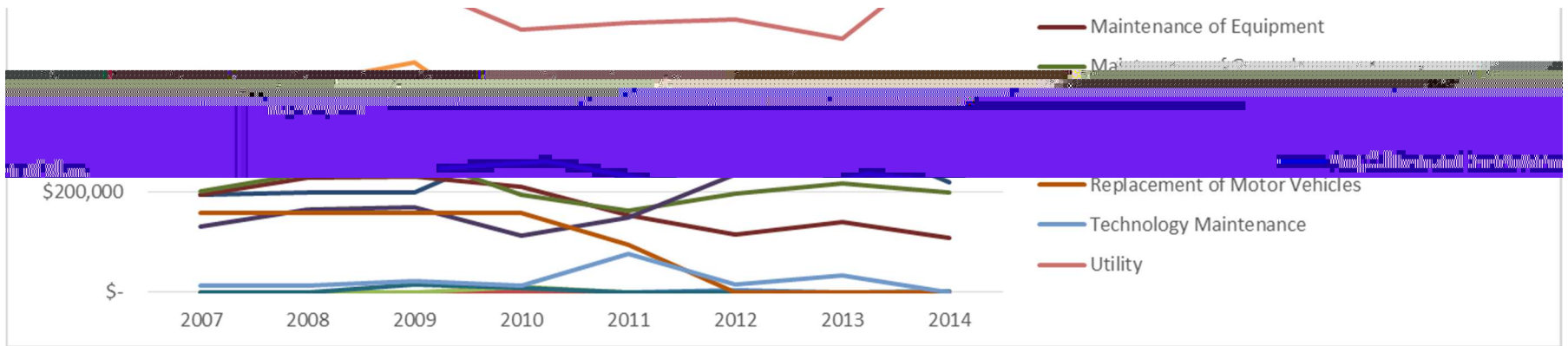
### Operations and maintenance

Overall our expenditure on operations and maintenance fell from FY13 to FY14.

| Function | Operations and Maintenance Expenditure |
|----------|--|
| 2007     | \$2,989,191                            |
| 2008     | \$3,111,402                            |
| 2009     | \$3,189,491                            |
| 2010     | \$2,855,021                            |
| 2011     | \$2,866,182                            |
| 2012     | \$2,699,761                            |
| 2013     | \$2,950,676                            |
| 2014     | \$2,857,593                            |

However, as can be seen in the chart over the page, there was a sharp increase in utility costs – this was due to our electricity contract coming to an end at a time of high costs. We are now on a new contract for electricity. We have also agreed a contract for gas.

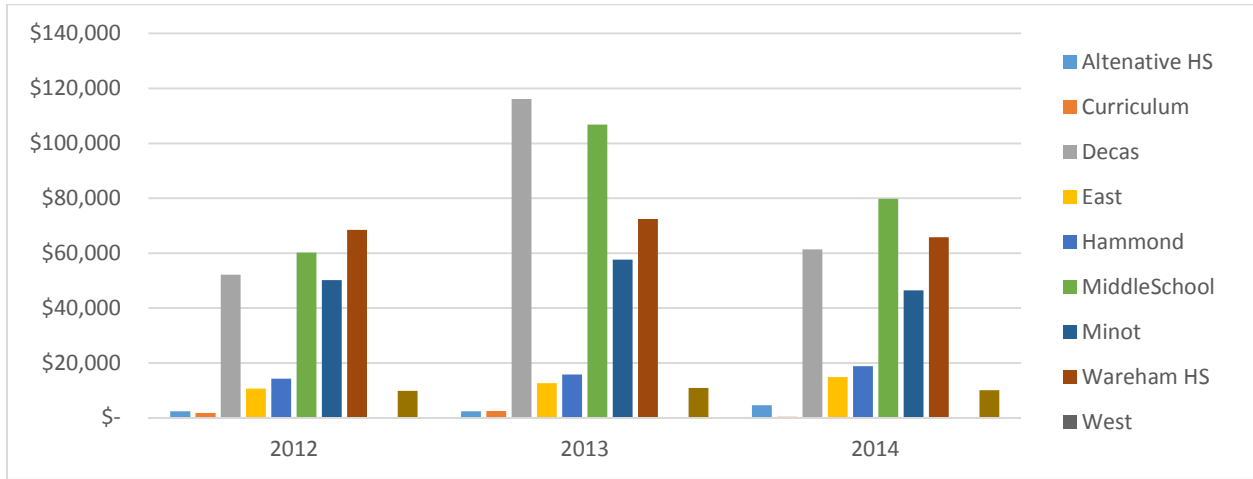
Expenditure on Operations and Maintenance by Function (2007 – 2014)



## Heating

FY13 saw a significant spike in heating at John W Decas Elementary school and at the Middle School – maintenance at Decas has helped to correct a number of issues which has helped to bring the costs down.

We have created a new HVAC/Plumbing position, currently recruiting, which we plan to use for preventative maintenance to help reduce future related problems and costs.



ANNEX A: Budget vs Payments by Major Account and Function

| <b>Major Account - Function</b>                          | <b>Receipts</b> | <b>Budget</b>        | <b>Expenditure</b>   | <b>Surpluss/(Deficit)</b> |
|--|-----------------|----------------------|----------------------|---------------------------|
| <b>Administration</b>                                    | <b>\$-</b>      | <b>\$1,023,163</b>   | <b>\$960,784</b>     | <b>\$ 62,379</b>          |
| • Assistant Superintendent                               | \$-             | \$105,000            | \$ -                 | \$ 105,000                |
| • Business & Finance                                     | \$-             | \$121,000            | \$ 98,299            | \$ 22,701                 |
| • District Wide Leadership                               | \$-             | \$197,466            | \$204,486            | \$ (7,020)                |
| • Legal Services for School Committee                    | \$-             | \$ 23,000            | \$ 35,063            | \$ (12,063)               |
| • Personnel  | \$-             | \$ -                 | \$2,500              | \$ (2,500)                |
| • School Committee                                       | \$-             | \$ 24,529            | \$ 19,517            | \$ 5,012                  |
| • Superintendent   | \$-             | \$421,447            | \$440,029            | \$ (18,582)               |
| • Technology Office                                      | \$-             | \$130,721            | \$130,891            | \$ (170)                  |
| • Legal Services for Settlements                         | \$-             | \$ -                 | \$ 30,000            | \$ (30,000)               |
| <b>Classroom and Specialist Teachers</b>                 | <b>\$-</b>      | <b>\$ 12,570,165</b> | <b>\$ 13,052,713</b> | <b>\$ (482,548)</b>       |
| • Teachers Classroom                                     | \$-             | \$ 12,557,998        | \$ 13,040,576        | \$ (482,578)              |
| • Teachers, Specialists                                  | \$-             | \$ 12,167            | \$ 12,137            | \$ 30                     |
| <b>Guidance, Counseling and Testing</b>                  | <b>\$-</b>      | <b>\$916,741</b>     | <b>\$930,326</b>     | <b>\$ (13,585)</b>        |
| • Guidance & Adjustment/Social Work                      | \$-             | \$155,842            | \$173,478            | \$ (17,636)               |
| • Guidance & Testing                                     | \$-             | \$269,310            | \$269,035            | \$ 275                    |
| • Psychological Services                                 | \$-             | \$482,389            | \$477,286            | \$ 5,103                  |
| • Testing & Assessment                                   | \$-             | \$9,200              | \$ 10,527            | \$ (1,327)                |
| <b>Instructional Leadership</b>                          | <b>\$-</b>      | <b>\$2,630,305</b>   | <b>\$2,713,347</b>   | <b>\$ (83,041)</b>        |
| • Building Technology                                    | \$-             | \$ 50,935            | \$ 54,328            | \$ (3,393)                |
| • CSL/Middle Curr. Leaders Salaries & Reimbursements     | \$-             | \$125,442            | \$ 92,740            | \$ 32,702                 |
| • Curriculum Director                                    | \$-             | \$ 83,011            | \$170,661            | \$ (87,650)               |
| • Department Heads                                       | \$-             | \$391,954            | \$392,775            | \$ (821)                  |
| • K-12 Dept. Head Salaries                               | \$-             | \$234,652            | \$210,444            | \$ 24,208                 |
| • Principal's & Assistant Principal's                    | \$-             | \$1,166,189          | \$1,210,916          | \$ (44,727)               |
| • Principal's Office                                     | \$-             | \$578,122            | \$581,482            | \$ (3,360)                |
| <b>Instructional Materials, Equipment and Technology</b> | <b>\$-</b>      | <b>\$250,132</b>     | <b>\$227,226</b>     | <b>\$ 22,906</b>          |
| • Instructional Material & Equipment                     | \$-             | \$ -                 | \$ -                 | \$-                       |
| • Instructional Other                                    | \$-             | \$107,555            | \$ 83,745            | \$ 23,810                 |
| • Instructional Software                                 | \$-             | \$ -                 | \$ -                 | \$-                       |
| • Instructional tech. Hardware                           | \$-             | \$ -                 | \$ -                 | \$-                       |
| • Instructional Technology                               | \$-             | \$ 76,545            | \$110,063            | \$ (33,518)               |
| • Paper/Pencils/Periodicals                              | \$-             | \$ 51,492            | \$ 24,985            | \$ 26,507                 |
| • System Mileage/Conferences                             | \$-             | \$ 14,120            | \$8,397              | \$ 5,723                  |
| • Textbooks & related software/media/materials           | \$-             | \$420                | \$ 36                | \$ 384                    |
| <b>Insurance, Retirement Programs and Other</b>          | <b>\$-</b>      | <b>\$169,084</b>     | <b>\$291,698</b>     | <b>\$ (122,614)</b>       |
| • Debt Retirement  | \$-             | \$ -                 | \$ -                 | \$-                       |
| • Employee Insurance                                     | \$-             | \$ -                 | \$ -                 | \$-                       |
| • Employee Retirement: MTRB                              | \$-             | \$ 15,000            | \$5,000              | \$ 10,000                 |
| • Employee Retirement: Town                              | \$-             | \$ -                 | \$158,900            | \$ (158,900)              |

|   |                 |                      |                      |                    |
|---|-----------------|----------------------|----------------------|--------------------|
| • Lease of Equipment-Copiers & Risographs             | \$-             | \$121,102            | \$113,276            | \$ 7,826           |
| • Student Insurance                                   | \$-             | \$ 32,982            | \$ 14,522            | \$ 18,460          |
| <b>Operations and Maintenance</b>                     | <b>\$ 1,984</b> | <b>\$2,808,834</b>   | <b>\$2,833,546</b>   | <b>\$ (22,729)</b> |
| • Building Security System Installation & Maintenance | \$-             | \$ -                 | \$ -                 | \$-                |
| • Custodial Services                                  | \$ 1,984        | \$1,026,440          | \$1,038,561          | \$ (10,137)        |
| • Extraordinary Maintenance                           | \$-             | \$ -                 | \$ 59,051            | \$ (59,051)        |
| • Heating   | \$-             | \$369,200            | \$301,876            | \$ 67,324          |
| • Maintenance of Buildings                            | \$-             | \$236,185            | \$211,468            | \$ 24,717          |
| • Maintenance of Equipment                            | \$-             | \$187,703            | \$106,499            | \$ 81,204          |
| • Maintenance of Grounds                              | \$-             | \$183,184            | \$190,989            | \$ (7,805)         |
| • Networking & Telecommunications                     | \$-             | \$213,758            | \$246,858            | \$ (33,100)        |
| • Operations & Maintenance of Plant                   | \$-             | \$ -                 | \$ -                 | \$-                |
| • Replacement of Motor Vehicles                       | \$-             | \$ -                 | \$ -                 | \$-                |
| • Technology Maintenance                              | \$-             | \$ -                 | \$ -                 | \$-                |
| • Utility   | \$-             | \$592,364            | \$678,244            | \$ (85,880)        |
| <b>Other Teaching Services</b>                        | <b>\$-</b>      | <b>\$2,251,915</b>   | <b>\$2,178,853</b>   | <b>\$ 73,062</b>   |
| • Home instruction/Sped summer school                 | \$-             | \$152,000            | \$119,482            | \$ 32,518          |
| • Librarians & Media Center                           | \$-             | \$ 59,018            | \$ 59,546            | \$ (528)           |
| • Paraprofessionals                                   | \$-             | \$962,881            | \$950,160            | \$ 12,721          |
| • PT & Speech Salaries                                | \$-             | \$660,816            | \$608,775            | \$ 52,041          |
| • Substitutes   | \$-             | \$417,200            | \$440,890            | \$ (23,690)        |
| <b>Payments To Out-Of-District Schools</b>            | <b>\$-</b>      | <b>\$2,030,898</b>   | <b>\$1,525,614</b>   | <b>\$ 505,284</b>  |
| • Payments to Member Collaborative                    | \$-             | \$815,027            | \$690,634            | \$ 124,393         |
| • Program with School districts in other States       | \$-             | \$ -                 | \$ -                 | \$-                |
| • Program with Schools Other than Public Schools      | \$-             | \$1,020,871          | \$684,100            | \$ 336,771         |
| • Programs with other Systems in Massachusetts        | \$-             | \$195,000            | \$150,880            | \$ 44,120          |
| <b>Professional Development</b>                       | <b>\$-</b>      | <b>\$154,500</b>     | <b>\$103,095</b>     | <b>\$ 51,405</b>   |
| • Prof. Development: System Course Reimbursements     | \$-             | \$ 85,000            | \$ 44,209            | \$ 40,791          |
| • Professional Development – Leadership               | \$-             | \$ -                 | \$ -                 | \$-                |
| • Professional Development – Substitutes              | \$-             | \$9,500              | \$ 24,902            | \$ (15,402)        |
| • Professional Development – Teachers                 | \$-             | \$ 60,000            | \$ 33,983            | \$ 26,017          |
| <b>Pupil Services</b>                                 | <b>\$-</b>      | <b>\$2,129,093</b>   | <b>\$2,099,792</b>   | <b>\$ 29,301</b>   |
| • Athletic Services                                   | \$-             | \$246,393            | \$231,376            | \$ 15,017          |
| • Attendance  | \$-             | \$ 35,104            | \$ 36,136            | \$ (1,032)         |
| • Food Services                                       | \$-             | \$ -                 | \$ -                 | \$-                |
| • Medical & Nurses Expenses                           | \$-             | \$368,024            | \$353,254            | \$ 14,770          |
| • Other Student Body Activities                       | \$-             | \$3,285              | \$1,807              | \$ 1,478           |
| • Pupil Transportation                                | \$-             | \$1,476,287          | \$1,477,218          | \$ (931)           |
| <b>Grand Total</b>                                    | <b>\$ 1,984</b> | <b>\$ 26,934,830</b> | <b>\$ 26,916,993</b> | <b>\$ 19,821</b>   |

ANNEX B: Grant FY14 Expenditure

| <b>Grant</b>                        | <b>Starting balance</b> | <b>Receipts</b> | <b>Payments</b> | <b>Ending Balance</b> |
|-------------------------------------|-------------------------|-----------------|-----------------|-----------------------|
| Circuit Breaker                     | \$353,297               | \$735,807       | \$528,316       | \$560,788             |
| Individual with Disabilities 94-142 | \$64,015                | \$424,797       | \$560,229       | -\$71,417             |
| Title one                           | -\$34,387               | \$550,875       | \$482,378       | \$31,611              |
| Improving Educator Quality          | \$14,322                | \$138,148       | \$152,827       | -\$356                |
| Mass. 21 Century Comm. Learning     | \$36,646                | \$97,875        | \$134,593       | -\$73                 |
| K Enhanced Program                  | \$0                     | \$114,020       | \$108,235       | \$0                   |
| Elem. Educ. Grant                   | \$3,483                 | \$98,247        | \$113,256       | -\$11,526             |
| Care Minot/High School              | \$0                     | \$99,763        | \$89,305        | \$10,458              |
| Coord. Fam. & Community             | -\$14,704               | \$108,102       | \$87,860        | -\$2,906              |
| Care High School-H                  | \$49,047                | \$34,738        | \$83,785        | \$0                   |
| Race To the Top                     | \$28,365                | \$59,127        | \$72,503        | \$14,989              |
| Income Eligible Contract            | -\$24                   | \$66,667        | \$87,719        | -\$21,075             |
| Supplementary Support to Schools-C  | \$19,534                | \$40,181        | \$52,896        | -\$2,817              |
| Care-Carry Over                     | \$0                     | \$56,970        | \$46,612        | \$10,358              |
| Title 1 Carryover                   | \$48,618                | \$0             | \$48,618        | \$0                   |
| Wrap Around Zone-C                  | -\$419                  | \$49,582        | \$45,331        | \$3,832               |
| Middle Educ. Grant                  | \$5,081                 | \$34,986        | \$39,999        | \$67                  |
| Title I School Support              | \$10,699                | \$33,002        | \$34,650        | -\$5,898              |
| (blank)                             | \$0                     | \$39,195        | \$26,191        | \$13,005              |
| Students With Disabilities PI       | \$11,410                | \$21,167        | \$29,658        | \$2,919               |
| Literacy Prof.-Summer               | -\$1,050                | \$26,340        | \$25,290        | \$0                   |
| Literacy Prof. Development          | -\$156                  | \$20,553        | \$20,554        | -\$157                |
| Academic Support – School Year      | \$1,455                 | \$18,300        | \$18,293        | \$1,463               |
| Early Childhood Sped                | -\$5,032                | \$19,532        | \$20,115        | -\$5,614              |
| Success Plan-sch yr.                | \$0                     | \$17,100        | \$16,705        | \$395                 |
| Nutrition Summer Expansion          | \$6,686                 | \$7,000         | \$10,072        | \$3,614               |
| Summer Level 3 District             | \$0                     | \$10,189        | \$10,189        | \$0                   |
| Sped Support Access Curriculum      | -\$5,071                | \$15,552        | \$4,322         | \$6,160               |
| 21st Cent. Comm. Learn/Train        | -\$498                  | \$7,521         | \$7,023         | \$0                   |
| After School Programs-SouthCoast    | \$3,353                 | \$5,650         | \$5,037         | \$3,966               |
| Title IIA Carryover                 | -\$3,942                | \$8,942         | \$5,000         | \$0                   |
| Summer Program                      | \$0                     | \$4,533         | \$4,533         | \$0                   |
| Support Underperform. Dist.         | \$0                     | \$5,455         | \$3,193         | \$0                   |

|                             |                  |                    |                    |                  |
|-----------------------------|------------------|--------------------|--------------------|------------------|
| Early Childhood Program-C   | \$0              | \$4,000            | \$3,208            | \$734            |
| Edu Jobs                    | \$3,842          | \$0                | \$0                | \$3,842          |
| Amer. Recovery Reinvest.    | \$126            | \$0                | \$0                | \$126            |
| Mass Tiered System-C        | \$0              | \$0                | \$100              | -\$100           |
| Safe & Supportive Learning  | -\$1,808         | \$1,808            | \$0                | \$0              |
| Streamlining District Data  | \$0              | \$0                | \$0                | \$0              |
| Coll. Success Plan-summer   | \$0              | \$0                | \$0                | \$0              |
| Prog. & Practitioners Supp. | \$0              | \$0                | \$0                | \$0              |
| CSL Living Democracy        | \$0              | \$0                | \$0                | \$0              |
| Math/Science Partnership    | -\$354           | \$0                | -\$354             | \$0              |
| <b>Grand Total</b>          | <b>\$592,537</b> | <b>\$2,975,725</b> | <b>\$2,978,240</b> | <b>\$546,387</b> |

## ANNEX C: REVOLVING FUNDS

| <b>Revolving Funds</b>        | <b>Starting Balance</b> | <b>Receipts</b>  | <b>Payments</b>  | <b>Ending Balance</b> |
|-------------------------------|-------------------------|------------------|------------------|-----------------------|
| Transportation                | \$66,730                | \$339,723        | \$155,583        | \$250,870             |
| Adult Ed.                     | \$3,459                 | \$2,343          | \$5,757          | \$45                  |
| After School Programs         | \$0                     | \$2,374          | \$1,232          | \$1,142               |
| Asbestos                      | \$20,227                | \$0              | \$0              | \$20,227              |
| Athletic Receipts             | \$12,403                | \$66,583         | \$70,204         | \$8,782               |
| Circuit Breaker               | \$0                     | \$0              | \$0              | \$0                   |
| Drivers Ed.                   | \$5,048                 | \$40,260         | \$27,722         | \$17,586              |
| Full Day Kindergarten         | \$35,379                | -\$33,714        | \$1,665          | \$0                   |
| General Fund Operating Budget | \$0                     | \$0              | \$0              | \$0                   |
| Gift- H.S. Historical Tours   | \$3,224                 | \$0              | \$0              | \$3,224               |
| Gift-CSL                      | \$0                     | \$0              | \$0              | \$0                   |
| Gift-Decas                    | \$15,905                | \$15,025         | \$30,346         | \$584                 |
| Gift-Decas/West               | \$2,343                 | \$317            | \$200            | \$2,461               |
| Gift-East/Hammond             | \$2,448                 | \$1,177          | \$1,080          | \$2,545               |
| Gift-GED                      | \$1,122                 | \$324            | \$1,100          | \$346                 |
| Gift-High                     | \$16,095                | \$23,495         | \$28,066         | \$11,524              |
| Gift-Makepeace                | \$51,692                | \$41,214         | \$82,375         | \$10,532              |
| Gift-Minot                    | \$11,684                | \$4,541          | \$2,259          | \$13,967              |
| Gift-System                   | \$35,397                | \$2,158          | \$27,166         | \$10,389              |
| I.A./ Lost Books              | \$11,314                | \$3,336          | \$6,069          | \$8,581               |
| Income Eligible Preschl-C     | \$0                     | \$67,599         | -\$1,665         | \$69,264              |
| Insurance                     | \$14,825                | \$0              | \$1,643          | \$13,182              |
| Jordan Fundamental            | \$0                     | \$0              | \$0              | \$0                   |
| Keyspan                       | \$7,266                 | \$0              | \$205            | \$7,061               |
| Misc. Grant                   | \$0                     | \$0              | \$0              | \$0                   |
| School Choice                 | \$105,517               | \$203,176        | \$119,328        | \$189,365             |
| School Property               | \$2,045                 | \$29,849         | \$31,629         | \$266                 |
| State Wards                   | \$15,762                | \$48,565         | \$56,672         | \$7,655               |
| Summer School                 | \$5,385                 | \$13,665         | \$12,998         | \$6,052               |
| West Academy Tuition          | \$41,540                | \$93,970         | \$79,164         | \$56,345              |
| <b>Grand Total</b>            | <b>\$486,811</b>        | <b>\$965,980</b> | <b>\$740,797</b> | <b>\$711,994</b>      |



ANNEX D: Ending Balances – Historic Comparison

| Row Labels                    | 2012       |               |                | 2013       |               |                | 2014       |               |                |
|-------------------------------|------------|---------------|----------------|------------|---------------|----------------|------------|---------------|----------------|
|                               | Receipts   | Payments      | Ending Balance | Receipts   | Payments      | Ending Balance | Receipts   | Payments      | Ending Balance |
| Circuit Breaker               | \$ 452,882 | \$ 284,815    | \$ 428,211     | \$ 475,513 | \$ 442,102    | \$ 461,622     | \$ 735,807 | \$ 528,316    | \$ 560,788     |
| Transportation                | \$ 151,803 | \$ 151,803    | \$ 0           | \$ 193,356 | \$ 126,627    | \$ 66,730      | \$ 339,723 | \$ 155,583    | \$ 250,870     |
| School Choice                 | \$ 185,614 | \$ 236,329    | \$ 193,157     | \$ 243,865 | \$ 331,505    | \$ 105,517     | \$ 203,176 | \$ 119,328    | \$ 189,365     |
| Income Eligible Preschl-C     | \$ 5,791   | \$ 5,791      | \$ -           | \$ -       | \$ 1,288      | \$ -           | \$ 67,599  | \$ (1,665)    | \$ 69,264      |
| West Academy Tuition          | \$ 45,986  | \$ 79,283     | \$ 131,430     | \$ 11,848  | \$ 101,737    | \$ 41,540      | \$ 93,970  | \$ 79,164     | \$ 56,345      |
| Title one                     | \$ 558,353 | \$ 584,870    | \$ (2,398)     | \$ 502,342 | \$ 534,331    | \$ (34,387)    | \$ 550,875 | \$ 482,378    | \$ 31,611      |
| Asbestos                      | \$ -       | \$ 28,200     | \$ 22,496      | \$ -       | \$ 2,269      | \$ 20,227      | \$ -       | \$ -          | \$ 20,227      |
| General Fund Operating Budget | \$ 15,118  | \$ 26,747,564 | \$ 0           | \$ 9,561   | \$ 26,742,616 | \$ 4,079       | \$ 1,984   | \$ 26,916,993 | \$ 19,821      |
| Drivers Ed.                   | \$ 11,060  | \$ 12,698     | \$ 1,912       | \$ 27,523  | \$ 24,387     | \$ 5,048       | \$ 40,260  | \$ 27,722     | \$ 17,586      |
| Race To the Top               | \$ 160,735 | \$ 199,772    | \$ 31,379      | \$ 117,559 | \$ 120,573    | \$ 28,365      | \$ 59,127  | \$ 72,503     | \$ 14,989      |
| Gift-Minot                    | \$ 3,958   | \$ 868        | \$ 12,052      | \$ 3,922   | \$ 4,290      | \$ 11,684      | \$ 4,541   | \$ 2,259      | \$ 13,967      |
| Insurance                     | \$ 26,032  | \$ 24,832     | \$ 17,350      | \$ 8,676   | \$ 11,201     | \$ 14,825      | \$ -       | \$ 1,643      | \$ 13,182      |
| (blank)                       |            |               |                |            |               |                | \$ 39,195  | \$ 26,191     | \$ 13,005      |
| Gift-High                     | \$ 15,666  | \$ 15,709     | \$ 13,532      | \$ 21,881  | \$ 19,317     | \$ 16,095      | \$ 23,495  | \$ 28,066     | \$ 11,524      |
| Gift-Makepeace                | \$ 48,036  | \$ 63,890     | \$ 30,062      | \$ 34,367  | \$ 12,737     | \$ 51,692      | \$ 41,214  | \$ 82,375     | \$ 10,532      |
| Care Minot/High School        | \$ -       | \$ -          | \$ -           | \$ -       | \$ -          | \$ -           | \$ 99,763  | \$ 89,305     | \$ 10,458      |
| Gift-System                   | \$ 14,705  | \$ 4,115      | \$ 68,315      | \$ 29,451  | \$ 62,369     | \$ 35,397      | \$ 2,158   | \$ 27,166     | \$ 10,389      |
| Care-Carry Over               | \$ -       | \$ -          | \$ -           | \$ -       | \$ -          | \$ -           | \$ 56,970  | \$ 46,612     | \$ 10,358      |

### **Circuit Breaker Program**

The state special education reimbursement program, commonly known as the circuit breaker program, was started in FY04 to provide additional state funding to districts for high-cost special education students. In FY08 approximately \$200 million was paid to districts under this program.

The threshold for eligibility is tied to four times the state average foundation budget per pupil as calculated under the chapter 70 program, with the state paying 75 percent of the costs above that threshold. In FY08, the state average foundation budget per pupil was \$8852, so if a special education student cost a district \$50,000, the district's eligible reimbursement for that student would be  $(\$50,000 - (4 * \$8852)) * .75 = \$10,944$ .

For children placed in a school district outside their home town by the Department of Transitional Assistance or the Department of Children and Families, and for children who have no parents or guardians in the commonwealth, the reimbursement is 100 percent above the threshold rather than 75 percent. (The Department of Children and Families is the new name for the Department of Social Services.)

Circuit breaker reimbursements are for the district's prior year's expenses. Each summer, districts submit claim forms to ESE listing the types and amounts of special education instructional services provided to each student during the previous fiscal year. Administrative and overhead costs are not reimbursable. Standard rates for each type of service are established annually by ESE based on statewide surveys and are used to calculate the reimbursable cost for each student; this simplifies the claim process and minimizes the documentation which needs to be submitted. For students attending private 766 schools, the eligible cost for reimbursement is based on the approved tuition rate set by the state's Operational Services Division.

Payments are made to districts on a quarterly basis. Because the program is subject to appropriation, the first quarter's payments are usually calculated using an interim reimbursement rate of less than 75 percent. After all the claim forms have been received and reviewed, and ESE verifies that there are sufficient appropriations to pay all claims, the reimbursements are recalculated using the full 75 percent rate. The program has been fully funded every year since FY05, its second year of operation.

In addition to the regular circuit breaker reimbursements, the "extraordinary relief" program provides up to \$5 million to help districts experiencing a significant increase in their special education costs. Under this program, districts may file an additional claim form in February for the current year's estimated expenses. If the expenses have increased by 25 percent or more over the prior fiscal year, then the district will be eligible for an additional extraordinary relief payment to help fund the increase.

Circuit breaker claims are audited by ESE, and adjustments are made to future payments in the event of disallowed costs. The single biggest reason for costs being disallowed is that the services have not been clearly documented on the student's IEP. Only services that are required by the IEP are eligible for reimbursement.

Circuit breaker reimbursements should be deposited into a special education reimbursement account. These funds may be expended by the school committee in the year received or in the following fiscal year for any special education-related purposes, without further appropriation. As with all special revenues, the appropriating authority can and should consider the projected reimbursements for the following fiscal year when deliberating on the school district's general fund budget.