

# BUDGET PROPOSAL

April 8, 2015



Presented by:  
**Regional School District 13 Board of Education**

# Board of Education Members

Kerrie Flanagan, Chair - Durham  
Norman Hicks, Secretary - Durham  
Robert Fulton, Treasurer - Durham  
Merrill Adams - Middlefield  
Nancy Boyle - Middlefield  
Eileen Buckheit - Durham  
Dr. Victor Friedrich - Durham  
Raffaela Fronc - Durham  
Dr. Anthony Onofreo - Middlefield  
Jeremy Renninghoff - Middlefield

## School Administration

Dr. Kathryn Veronesi, Superintendent of Schools  
Ronald Melnik, Business Manager





# IMPORTANT DATES

April 8, 2015

**7:30 p.m. – Board of Education Meeting**                      **CRHS Library**

**8:00 p.m. – Public Hearing**    **CRHS Auditorium**

Board of Education presents budget to voters at public hearing/address public comment and revision

May 4, 2015

**8:00 p.m. – District Meeting**    **CRHS Auditorium**

Board of Education presents final budget to public for vote

May 5, 2015

**Francis E. Korn School | Middlefield Community Center**

Referendum for towns of Durham and Middlefield



# MISSION STATEMENT

The mission of Regional School District 13, a community that celebrates learning, honors tradition and embraces change, is to ensure that all students will be engaged and ethical lifelong learners and citizens who will thrive, excel, and contribute in an ever-changing, interdependent world by providing challenging, diverse, and nurturing experiences that empower each student to succeed through meaningful partnership with family and community.



# BUDGET OVERVIEW

	<b>2013-2014 Approved Budget</b>	<b>2014-2015 Approved Budget</b>	<b>2015-2016 Proposed Budget</b>	<b>Change Percent</b>
Budgeted Expenditure	\$36,618,830	\$37,186,891	\$37,868,015	1.83%
Budgeted Receipts	\$2,043,479	\$2,008,489	\$1,913,318	-4.74%
<b>Net District Budget</b>	<b>\$34,575,351</b>	<b>\$35,178,402</b>	<b>\$35,954,697</b>	<b>2.21%</b>

- Proposed expenditure increase over the last three years, 2013-2014, 2014-2015 and 2015-2016 is 1.77%, 1.55% and 1.83% respectively, a three year average of 1.72% per year
- Budgeted receipts decreased by 4.74% primarily due to a reduction (spend down) of the fund balance at the Middlesex Transition Academy and a decrease in Special Education excess cost revenue



# TOWN ASSESSMENTS

<b>Student Enrollment</b>	<b>2013</b>	<b>2014</b>
Durham Student Count October 1	1224	1193
Middlefield Student Count October 1	660	625
<b>Durham Estimated Tax Impact</b>	<b>2014-2015</b>	<b>2015-2016</b>
Durham Proportionate Share	64.97%	65.62%
Net District Budget	\$22,854,758	\$23,594,034
ECS Grant*	\$3,993,506	\$3,993,506
Total Raised by Taxes	\$18,861,252	\$19,600,528
<b>Middlefield Estimated Tax Impact</b>	<b>2014-2015</b>	<b>2015-2016</b>
Middlefield Proportionate Share	35.03%	34.38%
Net District Budget	\$12,323,644	\$12,360,663
ECS Grant*	\$2,142,785	\$2,142,785
Total Raised by Taxes	\$10,180,859	\$10,217,878

\*ECS entitlement estimated as of this date.



# EDUCATIONAL COST SHARING DURHAM AND MIDDLEFIELD

Year	ECS-Durham	ECS-Middlefield
2008-2009	\$3,954,812	\$2,100,239
2009-2010	\$3,954,812	\$2,100,239
2010-2011	\$3,954,812	\$2,100,239
2011-2012	\$3,954,812	\$2,100,239
2012-2013	\$3,986,743	\$2,132,776
2013-2014	\$3,990,500	\$2,138,129
2014-2015	\$3,993,506	\$2,142,785
2015-2016	\$3,993,506	\$2,142,785
Seven year increase \$	\$38,694	\$42,546
Seven year increase %	0.98%	2.03%
Average yearly increase \$	\$5,528	\$6,078
Average yearly increase %	0.14%	0.29%

The State ECS funding for Durham and Middlefield has increased an average of .14% in Durham and .29% in Middlefield.



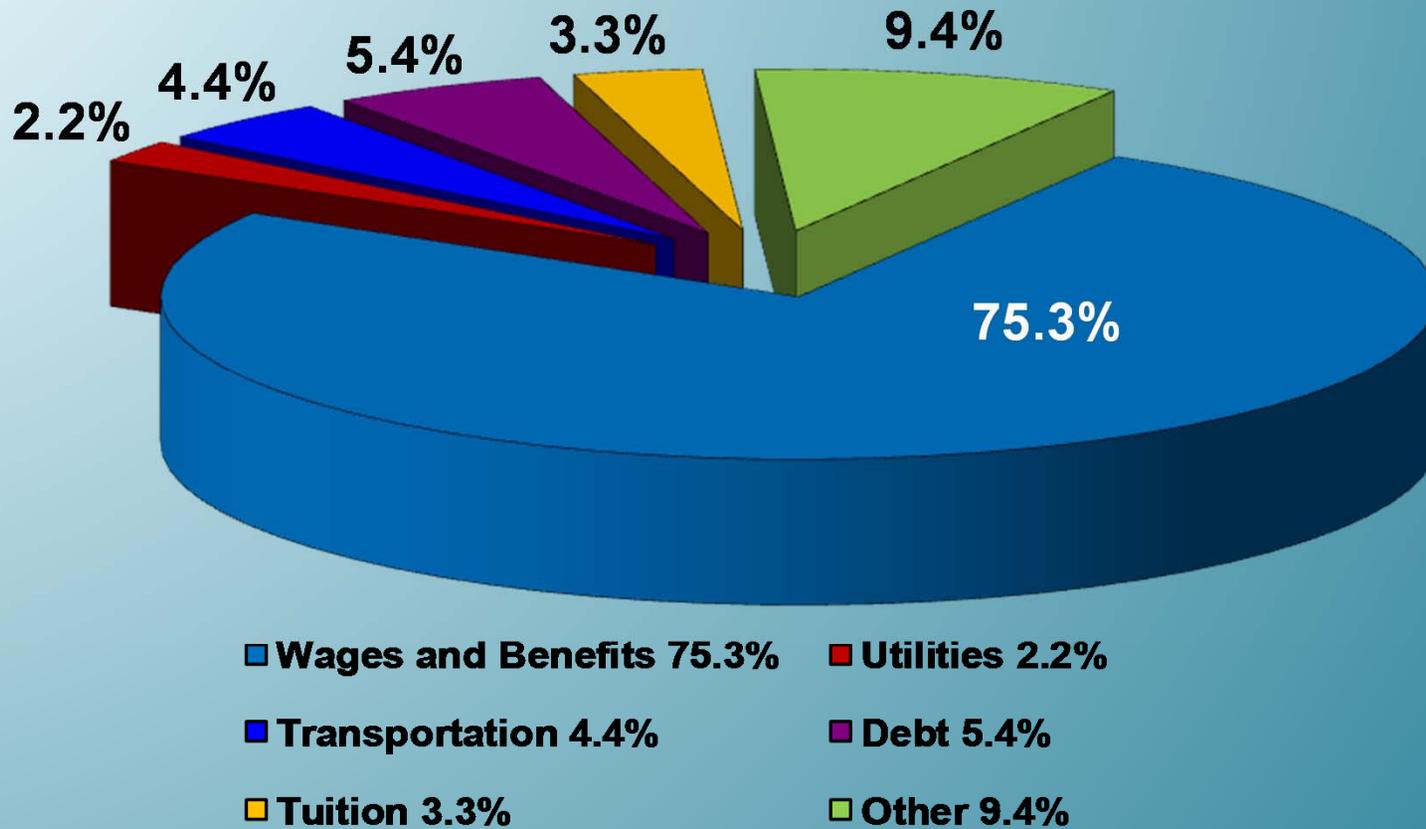
# REGIONAL SCHOOL DISTRICT 13 BUDGET SUMMARY

## Expenditures

Category	Description	SY 14-15 Budget	SY 15-16 BOE Budget	Change Percent
100	Salaries	\$ 20,964,453	\$ 21,280,010	1.51%
200	Benefits	\$ 7,011,215	\$ 7,237,787	3.23%
300	Purchased Services	\$ 927,148	\$ 1,007,555	8.67%
400	Building & Grounds	\$ 907,136	\$ 868,841	-4.22%
500	Operating Services	\$ 3,154,907	\$ 3,188,889	1.08%
600	Supplies	\$ 1,687,019	\$ 1,751,420	3.82%
700	Capital	\$ 382,271	\$ 436,753	14.25%
800	Dues and Fees	\$ 44,139	\$ 47,716	8.10%
900	Debt Service	\$ 2,108,603	\$ 2,049,044	-2.82%
	<b>Total Expenditure</b>	<b>\$ 37,186,891</b>	<b>\$ 37,868,015</b>	<b>1.83%</b>



# EXPENDITURE BY CATEGORY





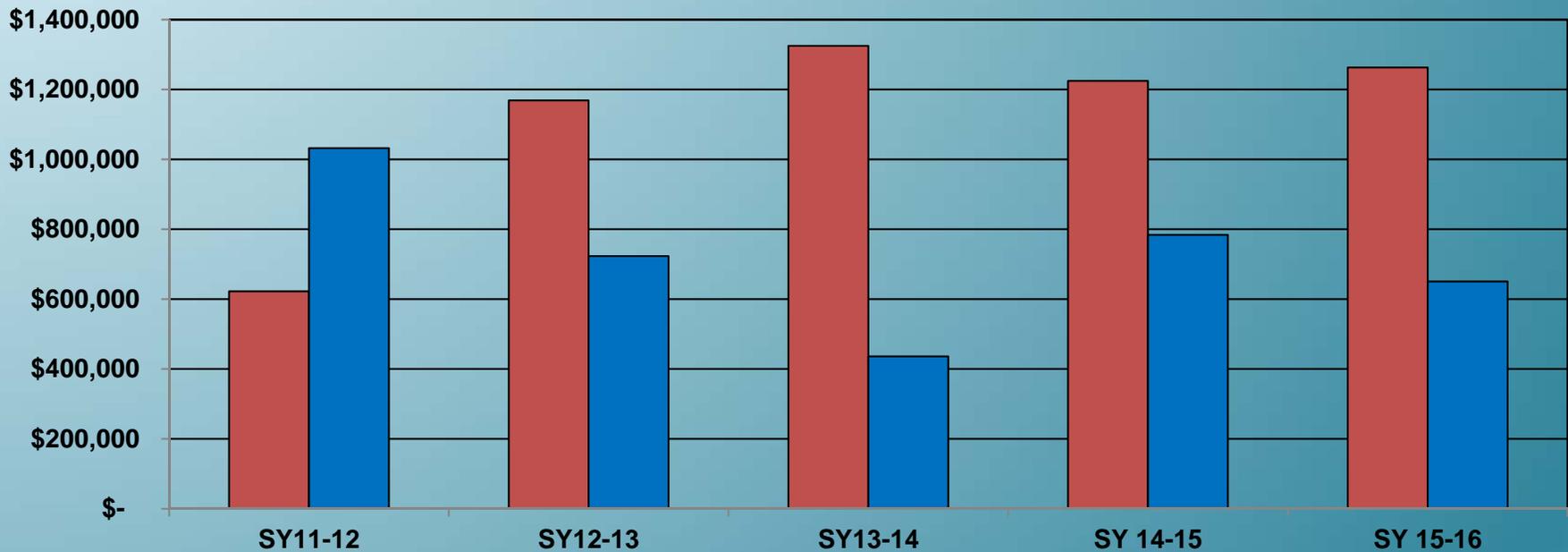
# BUDGET SUMMARY

Detail of Estimated Receipts				
Category	Description	SY 14-15 Budget	SY 15-16 BOE Budget	Change %
<b>Local</b>				
	Adult Education	\$ 11,936	\$ 11,900	
	Building & Grounds Rental	\$ 45,000	\$ 60,000	
	Interest Income	\$ 10,500	\$ 16,500	
	In-House Tuition	\$ 150,000	\$ 50,000	
	Activity Fee and Other	\$ 15,500	\$ 70,000	
	Fund Balance Carry-over	\$ 991,553	\$ 1,054,488	
	<b>Subtotal Local</b>	<b>\$ 1,224,489</b>	<b>\$ 1,262,888</b>	<b>3.14%</b>
<b>State &amp; Federal</b>				
	State Receipts Building Grants	\$ 189,896	\$ 185,723	
	State Receipts Building Interest	\$ 4,314	\$ 1,445	
	Transportation	\$ 120,000	\$ 120,000	
	Special Education Excess Cost	\$ 469,790	\$ 343,262	
	<b>Subtotal State and Federal</b>	<b>\$ 784,000</b>	<b>\$ 650,430</b>	<b>-17.04%</b>
<b>Total Receipts</b>		<b>\$ 2,008,489</b>	<b>\$ 1,913,318</b>	<b>-4.74%</b>



# DETAIL OF ESTIMATED RECEIPTS

Category	SY 11-12 Actual	SY 12-13 Actual	SY 13-14 Actual	SY 14-15 Budget	SY 15-16 Budget
Local	\$622,233	\$1,168,917	\$1,484,935	\$ 1,224,489	\$ 1,262,888
State & Federal	\$1,032,131	\$722,972	\$665,869	\$ 784,000	\$ 650,430





# FUND BALANCE SUMMARY

Year End Audit	Total Fund Balance	Use of Fund Balance	
6/30/2012	\$1,941,789	\$913,364	Committed to 2012-2013 Budget
		<b>\$1,028,425</b>	<b>Reserved for 2013-2014 Budget</b>
6/30/2013	\$2,019,978	\$1,028,425	Committed to 2013-2014 Budget
		<b>\$991,553</b>	<b>Reserved for 2014-2015 Budget</b>
6/30/2014	\$2,046,041	\$991,553	Committed to 2014-2015 Budget
		<b>\$1,054,488</b>	<b>Reserved for 2015-2016 Budget</b>

- Fund Balance from prior year audited financial statements is applied to subsequent years' budgeted receipts
- Actual Fund Balance from 2014-2015 audit cannot be applied to 2015-2016 budget as the 2014-2015 year is still in progress and final fund balance is unknown



# STAFFING

## REGIONAL SCHOOL DISTRICT 13

Group		Total	SY 13-14	SY 14-15	SY 15-16
Administration	Superintendent		1.0	1.0	1.0
	Business Manager		1.0	1.0	1.0
	Building Administrators		7.0	7.0	7.0
	Pupil Personnel Director		1.0	1.0	1.0
	Special Education Coordinator		1.0	1.0	1.0
	Director of Curriculum		1.0	1.0	1.0
	Athletic Director		0.0	1.0	1.0
	<b>Sub-total Administration</b>		<b>12.0</b>	<b>13.0</b>	<b>13.0</b>
Teachers	Regular Education		142.5	142.4	138.0
	Special Education		17.8	17.4	16.4
	Speech		6.8	6.1	6.1
	Guidance		4.0	4.0	4.0
	Psychologists		4.9	4.9	4.9
	Social Workers		3.1	3.0	3.0
	Librarians		4.6	4.0	4.0
	Tutors		4.0	4.0	4.0
	Grants		2.6	2.7	2.6
	<b>Sub-total Teachers</b>		<b>190.3</b>	<b>188.5</b>	<b>183.0</b>
<b>Total Certified</b>			<b>202.3</b>	<b>201.5</b>	<b>196.0</b>



# STAFFING

## REGIONAL SCHOOL DISTRICT 13

Group		Total	SY 13-14	SY 14-15	SY 15-16
Support Personnel	Central Office		12.5	12.0	13.8
	Secretaries FT/PT		15.5	15.0	14.5
	Instructional Assistants		16.5	12.5	12.5
	Special Education Assistants		37.6	37.2	37.2
	Nurses		6.0	6.0	6.0
	Maintenance Staff FT/PT		17.5	16.0	16.5
	Certified Occupational Therapist Asst.		1.0	1.0	1.0
	ABA		20.0	18.0	18.0
	Data Processing		0.4	0.4	0.4
	Grants		4.9	5.8	5.8
	Other		3.0	3.0	2.5
	<b>Sub-total Support</b>		<b>134.9</b>	<b>126.9</b>	<b>128.2</b>
	<b>Total Personnel</b>		<b>337.2</b>	<b>328.4</b>	<b>324.2</b>
	<b>Change</b>			<b>-8.8</b>	<b>-4.2</b>
	<b>Two year change</b>				<b>-13.0</b>



# REGIONAL SCHOOL DISTRICT 13

## ENROLLMENT

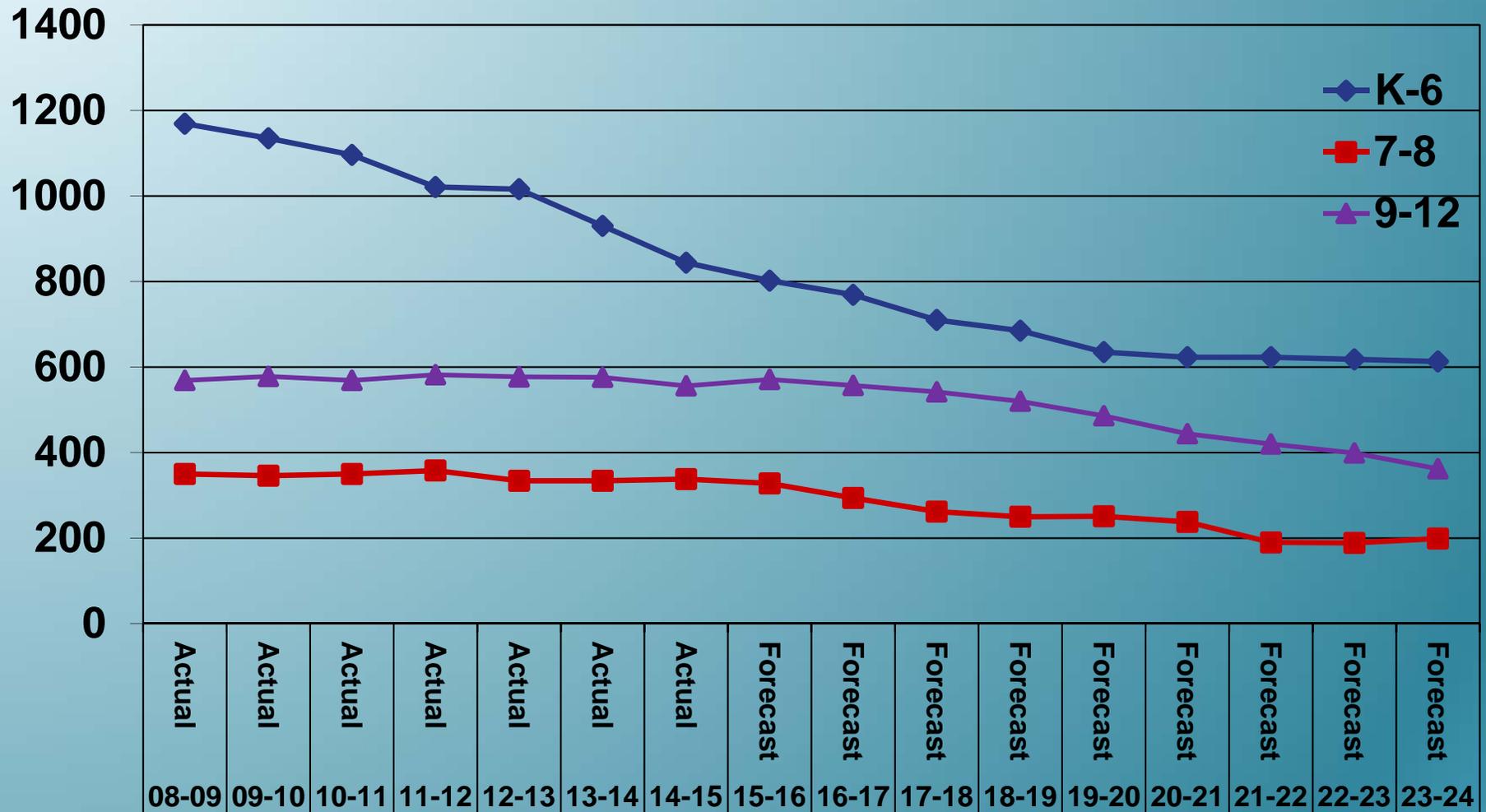
	SY 11-12	SY 12-13	SY 13-14	SY 14-15	SY 15-16	SY 16-17	SY 17-18	SY 18-19	SY 19-20	SY 20-21	SY 21-22	SY 22-23	SY 23-24
	Actual	Actual	Actual	Actual	Forecast								
Pre-K	21	26	25	24	24	30	30	30	30	30	30	30	30
K	101	123	89	104	96	90	68	79	79	78	81	83	86
1	134	115	135	96	104	98	100	76	88	88	87	90	92
2	130	136	111	135	96	90	98	100	76	88	88	87	90
3	171	128	139	112	134	101	92	100	102	78	90	90	89
4	160	171	126	135	112	140	101	92	100	102	78	90	90
5	182	160	171	125	135	113	139	100	91	99	101	78	89
6	143	183	159	165	125	137	112	138	99	90	98	100	77
7	184	147	181	162	166	124	137	112	138	99	90	98	100
8	174	187	153	178	162	170	125	138	113	139	100	91	99
9	150	143	154	128	151	135	142	104	115	94	116	84	76
10	136	149	141	150	128	148	133	140	102	113	92	114	83
11	155	134	148	139	150	123	148	133	140	102	113	92	114
12	141	151	133	142	142	151	119	143	129	135	99	109	89
<b>Total K-12</b>	<b>1982</b>	<b>1953</b>	<b>1865</b>	<b>1795</b>	<b>1725</b>	<b>1650</b>	<b>1544</b>	<b>1485</b>	<b>1402</b>	<b>1335</b>	<b>1263</b>	<b>1236</b>	<b>1204</b>



# REGIONAL SCHOOL DISTRICT 13

## ENROLLMENT

### K - 12





# REGIONAL SCHOOL DISTRICT 13 PER PUPIL COST

## Net Current Expenditure Per Pupil

		State	All RSD's	RSD13
2011-12	Actual	\$ 14,145	\$ 14,728	\$ 15,126
2012-13	Actual	\$ 14,498	\$ 15,249	\$ 16,029
2013-14	Actual	\$ 15,181	\$ 17,047	\$ 17,176
2014-15	Estimated	\$ -	\$ -	\$ 18,355
2015-16	Estimated	\$ -	\$ -	\$ 19,865



# PROJECTED CLASS SIZE 15-16 SY

School/Grade	# of Teachers	Average Class Size	BOE Guidelines
<b>Brewster</b>	<b>11</b>	<b>16.3</b>	
K	3	18.3	18
1	4	15.8	18
2	4	15.3	20
<b>Lyman</b>	<b>13</b>	<b>16.5</b>	
K	3	13.7	18
1/2	5	15.2	18-20
3/4	5	19.6	20-24
<b>Korn</b>	<b>8</b>	<b>18.5</b>	
3	4	20.0	22
4	4	17.0	20-24
<b>Memorial</b>	<b>14</b>	<b>18.6</b>	
ID 5	3	21.0	21-25
C 5	4	18.0	21-25
ID 6	3	18.3	21-25
C 6	4	17.5	21-25
<b>Strong</b>	<b>16</b>	<b>20.5</b>	
ID 7	3	20.0	22-26
C 7	5	21.2	22-26
ID 8	3	20.3	22-26
C 8	5	20.2	22-26

Total: 1701 (does not include Pre -K)



# 100: SALARIES

2014-15	2015-16	CHANGE \$	CHANGE %
\$20,964,453	\$21,280,010	\$315,557	1.51%

- This reflects 6 collective bargaining agreement wage schedules
- This also reflects a net reduction of 4.2 individuals

## Summary of change

- Impact of collective bargaining agreements \$624,383
- Impact of 2.3 new positions \$112,820
- Impact of reductions and retirement -\$421,646
- Net \$315,557



# UNION CONTRACTS SUMMARY

	<b>Term</b>	<b>FY 14-15</b>	<b>FY 15-16</b>	<b>FY 16-17</b>	<b>FY 17-18</b>
<b>Teachers</b>	<b>7/2014-6/2017</b>				
<b>GWI+Step</b>		2.51%	3.25%	3.10%	TBD
<b>POS co-pay</b>		N/A	N/A	N/A	TBD
<b>HSA co-pay</b>		15.00%	16.00%	17.00%	TBD
<b>Administrators</b>	<b>7/2015-6/2018</b>				
<b>GWI+Step</b>		1.25%	2.90%	2.47%	2.72%
<b>POS co-pay</b>		20.00%	N/A	N/A	N/A
<b>HSA co-pay</b>		14.00%	16.00%	17.00%	TBD
<b>Custodians</b>	<b>7/2013-6/2016</b>				
<b>GWI+Step</b>		1.75%	1.75%	TBD	TBD
<b>POS co-pay</b>		12.00%	13.00%	TBD	TBD
<b>HSA co-pay</b>		12.00%	13.00%	TBD	TBD
<b>Nurses</b>	<b>7/2014-6/2017</b>				
<b>GWI+Step</b>		2.25%	2.25%	2.50%	TBD
<b>POS co-pay</b>		N/A	N/A	N/A	TBD
<b>HSA co-pay</b>		11.50%	12.00%	12.50%	TBD
<b>Food Service</b>	<b>7/2013-6/2016</b>				
<b>GWI+Step</b>		1.75%	1.75%	TBD	TBD
<b>POS co-pay</b>		12.00%	13.00%	TBD	TBD
<b>HSA co-pay</b>		12.00%	13.00%	TBD	TBD
<b>Support Staff</b>	<b>7/2012-6/2015</b>				
<b>GWI+Step</b>		1.79%	TBD	TBD	TBD
<b>POS co-pay</b>		8.00%	TBD	TBD	TBD
<b>HSA co-pay</b>		11.00%	TBD	TBD	TBD

\*GWI & Step movement % increase estimated based on employees in position at time of negotiation.



## 200: BENEFITS

2014-15	2015-16	CHANGE \$	CHANGE %
\$7,011,215	\$7,237,787	\$226,572	3.23%

- Health insurance increase of 7.0%
- Unemployment decrease of \$16,916 or 25.5%
- Workers' compensation increase of 50.0%
- Savings due to switch from traditional PPO plan to High Deductible Healthcare Plan (HDHP) with Health Savings Accounts (HSA) is estimated to be \$550,000



## 300: PURCHASED SERVICES

2014-15	2015-16	CHANGE \$	CHANGE %
\$927,148	\$1,007,555	\$80,407	8.67%

Overall category increase includes the following:

- Decrease of \$20,000 legal expense primarily due to fewer contract negotiations
- Increase of \$35,000 for wellness and safety resources
- Increase of \$65,000 for engineering and architectural services associated with the Utilization Study



## 400: PROPERTY SERVICES

2014-15	2015-16	CHANGE \$	CHANGE %
\$907,136	\$866,841	-\$38,295	-4.22%

- The majority of contractual services are level funded
- Decrease of \$7,000 in disposal services as a result of the competitive bid process
- Decrease of \$7,000 in roof repairs at Brewster school in anticipation of the installation of a new roof
- Decrease in copier leases, replaced with a print service contract



## 500: OPERATING SERVICES

2014-15	2015-16	CHANGE \$	CHANGE %
\$3,154,907	\$3,188,888	\$33,982	1.08%

- Increase of \$119,880 or 10.77% in tuition for magnet school, outplacements and other tuitions
- Increase of \$9,520 in property, auto and general liability insurance
- Decrease of \$53,475 or 26.6% in diesel fuel



## 600: SUPPLIES

2014-15	2015-16	CHANGE \$	CHANGE %
\$1,687,019	\$1,751,420	\$64,401	3.82%

- Continued focus on reduction of energy costs by use of solar, efficient lighting, and conservation
- Transfer of cost from copier expense to print service cost
- Increase in cost of electricity \$24,084 or 4.2% driven by rate increase
- Decrease in heating fuel of \$77,498 or 24.6%



## 700: CAPITAL

2014-15	2015-16	CHANGE \$	CHANGE %
\$382,271	\$436,773	\$54,482	14.25%

- Non-essential individual school capital projects will not be completed until decisions are made on the future use of each school
- We will continue to fund the reserve for:
  - Track and tennis court resurface
  - Turf field replacement
  - Major building repairs
- Budget includes \$17,000 for Americans with Disabilities Act code compliance and State required water tank inspection, \$167,000 for Capital Reserve and \$89,000 for short term major projects

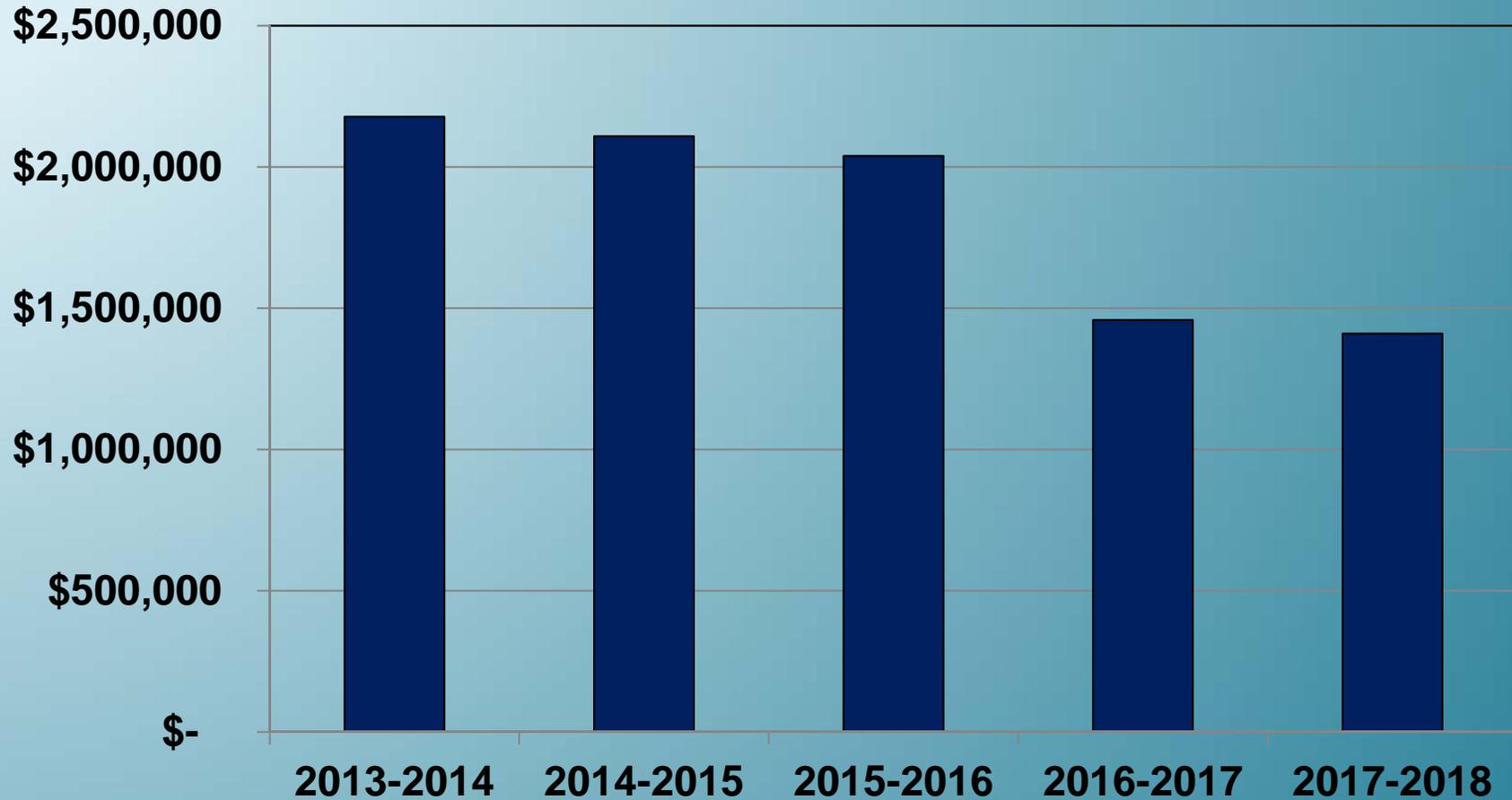


# CAPITAL RESERVE

Account Description	Current Balance	2014-15 Expenditures	2015-16 Additions	2015-16 Expenditures	Net
Accumulated turf replacement reserve	\$ 100,000		\$ 50,000		\$ 150,000
Accumulated track maintenance reserve	\$ 30,000		\$ 15,000		\$ 45,000
Accumulated building maintenance reserve	\$ 95,961		\$ 50,000		\$ 145,961
Brewster oil tank project balance	\$ 18,862		\$ -		\$ 18,862
Memorial oil tank project balance	\$ 14,211		\$ -		\$ 14,211
Other defined projects	\$ 77,450	\$ (35,000)	\$ 52,000	\$ (30,000)	\$ 64,450
Planned balance	\$ 336,484	\$ (35,000)	\$ 167,000	\$ (30,000)	\$ 438,484



# 900: DEBT SERVICE



This reflects a decrease in the debt payment schedule of \$59,559 for 2015-2016 school year.



# EXISTING & PROPOSED DEBT SERVICE





# BREWSTER SCHOOL PROJECTS

	Solar	Roof	Total
Project cost	\$ 687,690	\$ 1,200,000	\$ 1,887,690
Contingency	\$ 11,664	\$ 36,000	\$ 47,664
Engineering		\$ 37,000	\$ 37,000
Architectural	\$ 34,385	\$ 12,000	\$ 46,385
Project Mgt	\$ 41,261	\$ -	\$ 41,261
Legal & Finance	\$ 10,000	\$ 15,000	\$ 25,000
<b>Total costs</b>	<b>\$ 785,000</b>	<b>\$ 1,300,000</b>	<b>\$ 2,085,000</b>
State reimbursement @ 53.57%	\$ 420,525	\$ 696,410	\$ 1,116,935
Local funding	\$ 364,476	\$ 603,590	\$ 968,066
<b>Total funding</b>	<b>\$ 785,000</b>	<b>\$ 1,300,000</b>	<b>\$ 2,085,000</b>

## Thirty year solar payback

Electricity offset	\$ 679,183
"ZREC" Revenues	\$ 306,895
Less preventive maintenance	\$ (55,000)
Net savings before interest expense	\$ 931,078
Net expense of projects over 30 years	\$ 36,988



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	<b>Total Expenditure</b>	<b>\$ 37,186,891</b>	<b>\$ 37,868,015</b>	<b>1.83%</b>
<b>Detail of Estimated Receipts</b>				
<b>Local</b>				
	Adult Education	\$ 11,936	\$ 11,900	-0.30%
	Building & Grounds Rental	\$ 45,000	\$ 60,000	33.33%
	Interest Income	\$ 10,500	\$ 16,500	57.14%
	In-House Tuition	\$ 150,000	\$ 50,000	-66.67%
	Activity Fee and Other	\$ 15,500	\$ 70,000	351.61%
	Fund Balance Carry-over	\$ 991,553	\$ 1,054,488	6.35%
<b>State &amp; Federal</b>				
	State Receipts Building Grants	\$ 189,896	\$ 185,723	-2.20%
	State Receipts Building Interest	\$ 4,314	\$ 1,445	-66.50%
	Transportation	\$ 120,000	\$ 120,000	0.00%
	Special Education Excess Cost	\$ 469,790	\$ 343,262	-26.93%
	<b>Total Receipts</b>	<b>\$ 2,008,489</b>	<b>\$ 1,913,318</b>	<b>-4.74%</b>
<b>Net</b>		<b>\$ 35,178,402</b>	<b>\$ 35,954,697</b>	<b>2.21%</b>