

Somerset Berkley Regional School District

FY21 Budget Public Hearing

March 30, 2020



Somerset Berkley Regional School District
FY21 Budget Public Hearing
Agenda

1. FY21 Tentative Budget
2. Budget Process
3. Components of the Initial FY21 Budget Proposal of \$19,683,441 (13.5%)
4. Adjustments to the Initial FY21 Budget Proposal
5. Debt Service Detail
6. Regional School District Assessments
7. Report on Regional School District Excess/Deficiency and Stabilization Funds
8. Summary
9. Questions

FY21 Tentative Budget

Tentative Net Budget by function:

Net Operating Budget	\$16,587,098
Capital Assessment - Debt Service	\$ 2,181,944
Capital Assessment - One Time Items	<u>\$ 100,535</u>
Total Net Budget	\$18,869,577

*Total Net Operating Budget increase is \$877,023 or 5.58% increase over FY20

- Projected Revenue increasing by \$419,703 for Chapter 70 Student Opportunity Act (SOA)
- Includes new initiatives Reading Specialist, In-School Suspension, modified rollout of Innovation Pathways (Healthcare, Biotechnology, and Computer Science/IT)
- Reduction from proposed budget of 8.5 FTE staff \$583,304 net of unemployment. Staffing levels are subject to change to meet student course requests and needs.

Historical Changes in Net Operating Budget

Fiscal Year	Net Budget	Increase/(Decrease) Dollars	Increase/(Decrease) Percentage
FY12	\$13,057,800		
FY13	\$13,300,000	\$242,000	1.86%
FY14	\$13,381,225	\$81,225	0.61%
FY15	\$13,418,803	\$37,578	0.28%
FY16	\$13,262,824	\$ (155,979)	-1.16%
FY17	\$14,039,006	\$776,182	5.85%
FY18	\$14,530,171	\$491,165	3.50%
FY19	\$15,218,439	\$688,268	4.74%
FY20	\$15,425,075	\$206,636	1.36%
FY21(Tentative)	\$16,587,098	\$877,023	5.58%

The FY21 Tentative Net Operating Budget is \$877,023 more than FY20 Adjusted Net Operating Budget, for an increase of 5.58%.

FY21 Budget Process

The District is in the process of building a new strategic plan that builds upon the objectives cited in the 2017-2020 Strategic Plan and takes into consideration feedback from the recent Community Vision Workshop as well as stakeholder interviews. This will provide the roadmap where the District needs to focus their efforts and financial responsibility.

2017-2020 District Strategy Objectives

Objective I Student Learning	Objective II Teaching	Objective III Family & Community Engagement	Objective IV Sustainable Funding Model
Promote 21st century skills and cultivate partnerships that extend and support teaching and learning to prepare students for success in collect, careers, and life in a rapidly changing and challenging global society.	Create a collaborative learning culture that fosters creativity, inquiry, collaboration, reflection, and date-use to address individual student needs in order to improve learning for all students.	Increase parent and community engagement and build community support for vision, mission and ongoing success of Somerset Berkley Regional High School	Support the goals of the district by improving efficiencies, developing key performance indicators (KPIs) and constructing a model of sustainable funding.

Emerging themes from our recent work emphasize social-emotional learning, financial literacy, cultural diversity and world language offerings, civics, college and career readiness skills, and more students supports for all students.

FY21 Budget Process

- October 17, 2019 – SBRSD Budget Subcommittee met with Administration to review FY20 Financial Report, received an overview of expected non-negotiables (special education, bargaining units, transportation, etc.) , new initiatives, and anticipated capital needs
- November 2019 – During this month the High School Administration met with District Leadership Team to review FY21 budget requests
- December 18, 2019 – SBRSD Budget Subcommittee was provided highlights and another overview of proposed initiatives to be considered in the FY21 Budget.
- January 14, 2020 – SBRSD Budget Subcommittee was given information on Chapter 70 Figures and DOR Cherry Sheets. We continued a review of the status of the FY20 Budget and we received a general report of the continual review of budget projections and the process occurring between high school administration and District leadership. As we awaited more specifics or detail on the proposed budget, we drafted a Budget Process and Schedule of Meetings for the months ahead.

FY21 Budget Process

- February 6, 2020 – Budget Sub-committee continued review of the FY20 Budget Status. We were presented with the FY21 Zero Based Budget document and were told that the FY21 Initial Budget Request would be presented March 5th
- March 5, 2020 – First detailed look at the FY21 Proposed Budget and a more focused discussion with the Director of Technology on needs
- March 9, 2020 – Reviewed the projected town assessments resulting from a FY21 Proposed Net Operating Budget of \$17,507,815 which equalled \$1,017,955 or 14.75% more for Somerset and \$628,626 or 24.3% more for Berkley. Focus on facilities and maintenance budget with the Director of Buildings and Grounds
- March 10, 2020 – Analyzed the major increases in the FY21 Budget. Identified one-time capital expenses that could be funded outside the operating budget. Met with Acting Principal and Director of Curriculum to focus on Innovation Pathways & Student Opportunity Act - \$419k directed to new initiatives
- March 11, 2020 – Focus on Special Education/discussion with Special Education Director.
- March 12, 2020 – Discussion of Areas of Possible Reductions. Analysis of trends in SPED costs and request for information on Sports and Student Activities. Review of assessment models.

FY21 Budget Process

- March 17, 2020 – Re-cap of work done to date. Modeling and projections of Assessments.
- March 18, 2020 – Full School Committee Discussion and review of work done to date. Approval to increase the FY20 Budget by \$285k with E&D funding (Retiree Insurance Costs & Technology)
- March 23, 2020 – Full School Committee Discussion. Review of State Guidance on Budget Process. Continued work on the budget.
- March 26, 2020 – Full School Committee Discussion. Review of State Guidance on Budget Process.. Subcommittee vote to propose a Tentative or Preliminary FY21 Net Operating Budget of \$16,587,098 (5.58% increase) to the full committee on March 27, 2020.
- March 27, 2020 – Full School Committee Discussion. School Committee vote 4 to 3 to present 5.58% increase at Public Hearing 3/30.
- March 30, 2020 – Public Hearing on the Budget

Components of Initial FY21 Budget Proposal

- \$19,683,441 Total Budget
- \$17,082,740 Net Operating Budget
- \$2,082,740 or 13% increase over FY20 Net Operating Budget

Town of Somerset Operating Assessment would increase to \$7,917,101 which is \$1,017,955 or 14.75% more than FY20

Town of Berkley Operating Assessment would increase to \$3,207,927 which is \$628,626 or 24.37% more than FY20

FY21 Budget Drivers:

Contracted Services and Increased Expenses

- **Staffing and Labor Costs**
 - Collective bargaining - Pending negotiation with Custodian and Admin Assistant
 - Salaries and Fringe Benefits equal approximately 70% of total gross costs
- **Enrollment Changes (excludes school choice students)**
 - Somerset recognizes a decrease of 1 student for FY21
 - Berkley recognizes an increase of 16 students for FY21
- **\$195k Technology Infrastructure Upgrade needed (non-recurring)**
- **\$666k increase Special Education Tuitions and related services**
- **FY20 Budget did not reflect actual FY20 Expense in Retiree Insurance (\$110k)**

FY21 Budget Drivers:

State Mandates and Designations

- **Student Opportunity Act (SOA)** – \$419,703 of our Chap. 70 increase is required to be used to fund initiatives that will close achievement gaps and prepare students college and careers (Innovation Pathways);
- **Innovation Pathways** – a designation awarded by the state to the District to establish three areas of study to support college and career readiness;
- **New legislation** requiring the District to implement civics project-based learning;
- **Recent Targeted District Review** identified the need of a reading specialist and the implementation of a comprehensive in-school suspension program.

Student Opportunity Act – School Year 2021- 2023

Commitment 1: Focus on student sub-groups

- New funds will be used to close achievement gaps for students with disabilities and high needs sub-groups and provide more college and career readiness opportunities for all

Commitment 2: Evidence-based programs to close gaps (see next slide)

Commitment 3: Monitoring success with outcome metrics and targets

- Success in these programs will be measured using ELA and math SGP and achievement scores
- Four-year cohort graduation rate
- Student engagement, school climate, feedback from student surveys

Commitment 4: Engaging all families

- January 25, 2020 – Visioning Workshop
- March 5, 2020 – Draft plan presented to faculty
- March 18, 2020 – Public presentation of draft plan

Student Opportunity Plan – Commitment #2

Evidence-Based Programs to Close Gaps

Expanded access to career-technical education – Innovation Pathways

- **Capstone Innovation Pathways Coordinator - \$100,000**
- **Project Lead the Way Teacher - \$90,000**
- Project Lead the Way Equipment - \$11,703
- Project Lead the Way PD - \$8,000

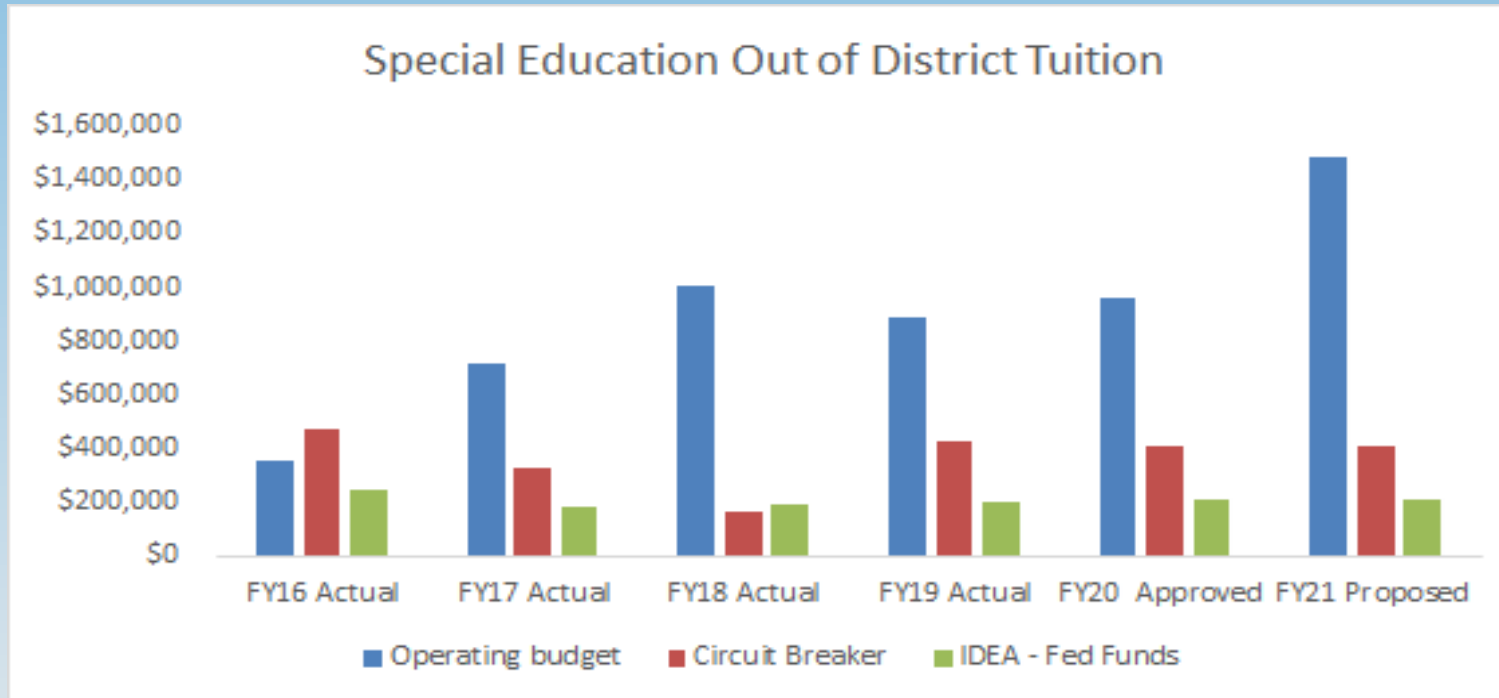
Inclusion for students with disabilities

- **Inclusion teacher - \$100,000**
- Reading specialist - \$90,000
- Inclusion PD - \$10,000

Increase personnel and services to support holistic student needs – schoolwide SEL plan

- SEL PD - \$10,000

Major Increases - FY21 Budget: Tuitions



Special Education Increase by \$518,813

School Choice Increase by \$140,555

Major Increases - FY21 Budget: Transportation

Transportation Category	FY20	FY21	Increase
Out of District Transportation - SPED	\$ 418,309.00	\$ 466,125.00	\$ 47,816.00
In District Transportation - SPED	\$ 114,828.00	\$ 137,714.00	\$ 23,086.00
Regular Education - Basic Routes	\$ 465,202.00	\$ 509,708.00	<u>\$ 44,506.00</u>
TOTAL:			\$ 115,408.00

Transportation increase of \$115,408 or 13.79%

FY21 Tentative Budget – District Revenue Sources

The FY21 Tentative Gross Operating Budget of \$18,044,616 is the actual cost of operating the SBRSD, excluding Debt Service and Other Capital Expenses. It is offset by other District Revenue Sources totaling \$1,475,518. This brings the Net FY21 Tentative Operating Budget to \$16,587,098 and increase of \$877,023.

SPECIAL REVENUE FUNDS	Approved Budget	Tentative Budget	
RE STRICTED - OTHER PROGRAMS	2019-20	2020-21	Change
CIRCUIT BREAKER	405,000	405,000	-
IDEA GRANT	206,000	206,000	-
TITLE I	24,000	24,000	-
REGIONAL TRANSPORTATION	187,198	161,569	(25,629)
CHARTER SCHOOLS	9,906	16,552	6,646
HOMELESS TRANSPORTATION	10,000	-	(10,000)
SCHOOL CHOICE - RECEIVING	496,280	476,397	(19,883)
PARKING FEES	10,000	10,000	-
USER FEES (ATHLETICS, CLUBS)	78,000	78,000	-
TEHC FEES	28,000	28,000	-
FACILITY USE	10,000	10,000	-
ATHLETICS REVOLVING	60,000	60,000	-
TOTAL - SPECIAL REVENUE FUNDS	1,524,384	1,475,518	(48,866)



FY21 Chapter 70 Foundation Budget

763 Somerset Berkley

	6	8	9	10	11	12	13	14		
	Base Foundation Compone			Incremental Costs Above the Base						
	6	7	8	9	10	11	12	13	14	
	High School	Vocational	Special Ed In-District	Special Ed Tuitioned-Out	English learners PK-5	English learners 6-8	English learners High School/Voc	Low income	TOTAL ENROLLMENT	
Foundation Enrollment	986	41	40	10	0	0	3	194	1,027	
1 Administration	394,134	16,389	110,352	29,531	0	0	250	10,453	561,108	
2 Instructional Leadership	711,843	29,600	0	0	0	0	437	49,526	791,406	
3 Classroom & Specialist Teachers	4,223,955	298,592	364,135	0	0	0	3,057	483,481	5,373,219	
4 Other Teaching Services	501,687	20,861	339,988	451	0	0	437	0	863,423	
5 Professional Development	135,772	9,334	17,566	0	0	0	125	23,457	186,253	
6 Instructional Materials, Equipment & Technolog	755,877	55,004	15,332	0	0	0	312	3,595	830,120	
7 Guidance & Psychological Services	396,303	16,479	0	0	0	0	187	19,578	432,548	
8 Pupil Services	533,830	22,198	0	0	0	0	62	101,730	657,820	
9 Operations & Maintenance	952,752	74,146	123,269	0	0	0	749	0	1,150,916	
10 Employee Benefits/Fixed Charges	1,042,103	70,539	128,882	0	0	0	686	78,207	1,320,417	
11 Special Education Tuition	0	0	0	280,376	0	0	0	0	280,376	
12 Total	9,648,257	613,141	1,099,523	310,358	0	0	6,301	770,027	12,447,605	
Foundation Budget per Pupil									12,120	
Increment Per Student	9,785	14,955	27,488	31,036			2,100	3,969	12,120	

*Increase of (\$12,120 - \$11,654) \$466 per pupil (4% increase) from FY20

FY21 Tentative Budget - Other Considerations

- Independent Custodial Department Assessment of the SBRHS
- Targeted District Review – Identified need for ISS and Reading Specialist
- Evaluated Expenses Related to Student Activities
- Reviewed Course Enrollment and Staffing Levels
- Identified One-Time Expenditures that could be Funded through E&D
- Analyzed Impact of School Choice
- Considered the impact of these increased assessments on member communities

Adjustments to FY21 Initial Budget Proposal - Net Operating Budget \$17,507,815 (13.5% increase)

- Reduction of \$195k for Technology/transfer \$175k to FY20 from E&D
- Increase of \$110k in FY20 from E&D for actual cost of Retiree Insurance
- Misc. line item adjustments totaling \$230,842
- Additional reduction AP Textbook \$4.2k and Competitions \$2k
- Shift of approximately \$100k in Capital Expenses to Capital Assessment
- Using the Statutory Assessment distributes Chapter 70 on per pupil basis and shifts \$43k to Berkley to allow approximately \$170k more to remain in the operating budget
- Staff reductions of 8.5 positions totaling \$583,304 with the option of shifting to other cost reductions as an alternative

SBRSD Tentative FY21 Budget Comparison of Net Operating Costs

OPERATING BUDGET	FY19-20 Approved Budget	FY20-21 Tentative Budget	Variance	Percent Change
SALARIES	9,191,765	9,370,204	178,439	1.94%
TECHNOLOGY (*)	594,444	425,387	(169,057)	-28.44%
SPECIAL EDUCATION	1,704,094	2,183,997	479,903	28.16%
PROFESSIONAL DEVELOPMENT	64,525	92,630	28,105	43.56%
TEXTBOOKS & LIBRARY BOOKS	36,304	16,775	(19,529)	-53.79%
EDUCATIONAL & OFFICE SUPPLIES	122,243	217,442	95,199	77.88%
COMPETITIONS	31,575	31,725	150	0.48%
GUIDANCE, HEALTH AND SECURITY	105,565	105,991	426	0.40%
REGULAR/HOMELESS TRANSPORTATION	303,633	348,139	44,506	14.66%
ATHLETICS / STUDENT ACTIVITIES	129,615	131,314	1,699	1.31%
MAINTENANCE	547,498	610,742	63,244	11.55%
EMPLOYEE BENEFITS & INSURANCE (*)	2,651,862	2,626,377	(25,485)	-0.96%
SCHOOL CHOICE/CHARTER SCHOOL	146,552	345,975	199,423	136.08%
TV STUDIO EXPENSES - REVOLVING	80,400	80,400	-	0.00%
NET OPERATING BUDGET	15,710,075	16,587,098	877,023	5.58%

SBRSD Tentative FY21 Budget Comparison of Net Capital Assessments

	FY19-20 Approved Budget	FY20-21 Tentative Budget	Change	Percent Change
CAPITAL ASSESSMENT				
COMPUTER LEASE - PAYOFF YEAR 2 OF 3		23,208	23,208	
SCIENCE EQUIPMENT		12,000	12,000	
TEXTBOOKS		20,000	20,000	
LEASE BALANCE - POLICE CRUISER		9,827	9,827	
REPLACEMENT 12 PASS VAN - SPEC ED	-	35,500	35,500	
CAPITAL (DEBT SERVICES)	2,184,389	2,181,944	(2,445)	
TOTAL CAPITAL ASSESSMENT	2,184,389	2,282,479	98,090	4.49%
GROSS OPERATING BUDGET	17,894,464	18,869,577	975,113	5.45%

FY21 Annual Debt Service Summary

**Somerset Berkley Regional School District
Capital Budget
FY21 Proposed Budget**

Long Term Bond Issuances	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
- \$9.28M Bond Issuance - February 2014 (3.67%)	\$ 295,000	\$ 291,700	\$ 586,700
Less: \$52k Premium credit		\$ (2,909)	\$ (2,909)
- \$9M Bond Issuance - August 2014 (2.933%)	\$ 390,000	\$ 223,675	\$ 613,675
Less: \$138k Premium credit		\$ (9,422)	\$ (9,422)
- \$6.275M Bond Issuance - February 2015 (2.67%)	\$ 275,000	\$ 141,415	\$ 416,415
Less: \$87k Premium credit		\$ (5,956)	\$ (5,956)
- \$5,978,500 Bond Issuance - July 2015 (2.92%)	\$ 245,000	\$ 160,653	\$ 405,653
Less: \$109k Premium credit		\$ (7,851)	\$ (7,851)
- \$2.5M February 2018 Borrowing (2.98%)	\$ 95,000	\$ 84,262	\$ 179,262
Less: \$41k Premium credit		\$ (3,624)	\$ (3,624)
Total Long Term Issuance Payments	\$ 1,300,000	\$ 871,943	\$ 2,171,943
Stabilization	\$ 10,000		\$ 10,000
GRAND TOTAL FOR FY21 CAPITAL BUDGET	\$ 1,310,000	\$ 871,943	\$ 2,181,943

SBRSD Historical Changes to Operating Assessments

Fiscal Year	Operational Assessment	Somerset Allocation	Dollar Change (\$)	Percentage Change (%)	Berkley Allocation	Dollar Change (\$)	Percentage Change (%)
FY12	\$ 9,776,961	\$ 8,319,605			\$ 1,457,356		
FY13	\$ 9,420,233	\$ 7,725,329	\$ (594,276)	-7.1%	\$ 1,694,904	\$ 237,548	16.3%
FY14	\$ 9,323,960	\$ 7,651,883	\$ (73,446)	-1.0%	\$ 1,637,206	\$ (57,698)	-3.4%
FY15	\$ 9,261,812	\$ 7,465,508	\$ (186,375)	-2.4%	\$ 1,796,304	\$ 159,098	9.7%
FY16	\$ 9,109,266	\$ 7,075,915	\$ (389,592)	-5.2%	\$ 2,033,351	\$ 237,046	13.2%
FY17	\$ 9,725,009	\$ 7,384,458	\$ 308,543	4.4%	\$ 2,340,551	\$ 307,200	15.1%
FY18	\$ 9,462,960	\$ 7,030,991	\$ (353,467)	-4.8%	\$ 2,461,968	\$ 121,417	5.2%
FY19	\$ 9,766,864	\$ 7,288,188	\$ 257,197	3.7%	\$ 2,478,676	\$ 16,708	0.7%
FY20	\$ 9,478,447	\$ 6,899,146	\$ (389,042)	-5.3%	\$ 2,579,301	\$ 100,625	4.1%
FY21 (Tentative) Alternate	\$ 10,204,311	\$ 7,252,786	\$ 353,640	5.1%	\$ 2,951,525	\$ 372,224	14.4%
FY21 (Tentative) Statutory	\$ 10,204,311	\$ 7,296,500	\$ 397,354	5.8%	\$ 2,907,811	\$ 328,510	12.7%

Since 2012, Somerset Operating Assessment has **decreased** a total of \$1,420,458. 2011-2020, Somerset's cost per student (operating and capital) has decreased from \$13,869 to \$11,591 or 16.4%. Looking at Tentative FY21 Alternative Assessment - Somerset's cost per student is \$12,010 vs Statutory cost per student would be \$12,069.

Since 2012, Berkley Operating Assessment has **increased** a total of \$1,121,944. 2011-2020, Berkley's cost per student (operating and capital) has increased from \$8000 to \$11,786 or 47.3%. Looking at Tentative FY21 Alternative Assessment - Berkley's cost per student is \$12,542 vs Statutory Assessment Model, Berkley's cost per student would be \$12,389.

These changes are in line with models provided for Regionalization.

FY21 Tentative - Alternative Assessment Model

Step 1 - Step 4

	Total	Somerset	Berkley
FY20 (EST -GOV)			
Students	1,012	742	270
Student %		73.3%	26.7%
Total Budget	\$17,809,484		
Tech Infrastructure	\$176,000		
Retiree Medical	\$110,000		
Net Operating Budget - REVISED	\$16,710,076		
STEP 1:			
Minimum Local Contribution	\$ 8,091,430	\$ 4,451,738	\$ 1,839,892
STEP 2:			
Above Minimum	\$ 8,618,646	\$ 7,052,408	\$ 2,588,238
STEP 3:			
Above Min + MLC	\$ 16,710,076	\$ 11,604,144	\$ 4,205,931
STEP 4:			
Chapter 70 Allocation			
a.) Foundation Aid			
Foundation Budget	\$ 11,784,363	\$ 8,847,838	\$ 3,148,715
Less: MLC	\$ (8,091,430)	\$ (4,451,738)	\$ (1,839,892)
Total Foundation Aid	\$ 6,702,923	\$ 4,196,900	\$ 1,607,023
b.) Excess Foundation Aid			
		\$ -	\$ -
c.) Total Chapter 70			
	\$ 6,702,923	\$ 4,196,900	\$ 1,607,023

Alternative Calculation	Total	Somerset	Berkley
FY21 (EST -GOV)			
Students	1,027	741	288
Student %		72.2%	27.8%
Total Budget	\$19,452,881		
Staff reduction #1	(\$230,438)		
Staff reduction #2	(\$189,720)		
Staff reduction #2	(\$183,148)		
Net Operating Budget	\$18,887,098	5.68%	%inc./(dec.)
		\$877,023	\$ inc./ (dec.)
STEP 1:			
Minimum Local Contribution (DESE)	\$ 8,304,771	\$ 4,505,298	\$ 1,799,473
Increase over Prior Year	\$ 213,341	\$ 53,580	\$ 169,781
STEP 2:			
Above Minimum (Allocated based on Enrollment)	\$ 10,282,327	\$ 7,418,884	\$ 2,893,433
Increase over Prior Year	\$ 663,682	\$ 388,488	\$ 297,194
STEP 3:			
Above Min + MLC	\$ 18,587,098	\$ 11,924,192	\$ 4,682,908
Increase over Prior Year	\$ 877,023	\$ 420,048	\$ 458,976
STEP 4:			
Chapter 70 Allocation			
a.) Foundation Aid			
Foundation Budget (DESE)	\$ 12,447,808	\$ 8,981,184	\$ 3,488,422
Less: MLC (above)	\$ (8,304,771)	\$ (4,505,298)	\$ (1,799,473)
Total Foundation Aid	\$ 6,142,835	\$ 4,475,888	\$ 1,688,949
b.) Excess Foundation Aid			
		\$ -	\$ -
c.) Total Chapter 70			
	\$ 6,142,835	\$ 4,475,888	\$ 1,688,949
Increase over Prior Year	\$ 439,912	\$ 279,988	\$ 169,928

FY21 Tentative Budget - Alternative Assessment Model

Step 5 - Step 8

STEP 5:			
(Less Charter School Reimb.)	\$ (9,908)	\$ (7,283)	\$ (2,643)
(Less Interest Income)	\$ (20,000)	\$ (14,884)	\$ (5,338)
(Less Medicaid & E-Rate)	\$ (123,000)	\$ (90,184)	\$ (32,816)
Less: Television Production	\$ (80,400)	\$ (80,400)	\$ -
	\$ (233,308)	\$ (192,511)	\$ (40,795)
STEP 6:			
Operating Assessment (Step 3-4c-5)	\$ 9,773,848	\$ 7,116,733	\$ 2,658,113
Less: Use of E&D	\$ (295,388)	\$ (218,587)	\$ (78,812)
Less: FY18 Prepayments	\$ -	\$ -	\$ -
Adj. Operating Assessment	\$ 9,478,447	\$ 6,898,148	\$ 2,579,301
Increase from PY \$			
Increase from PY %			
STEP 7:			
Capital Assessment	\$ 2,184,388	\$ 1,801,687	\$ 682,782
Less: Return of E&D	\$ -	\$ -	\$ -
Total Capital Assessment	\$ 2,184,388	\$ 1,801,687	\$ 682,782
Increase from PY \$	\$ (14,888)	\$ (14,760)	\$ 81
Increase from PY %	-0.7%	-0.8%	0.0%
STEP 8:			
Total Assessment	\$ 11,662,836	\$ 8,699,743	\$ 3,182,093
Increase from PY \$			
Increase from PY %			

STEP 5:			
(Less Charter School Reimb.)	\$ (18,552)	\$ (11,843)	\$ (4,809)
(Less Interest Income)	\$ (20,000)	\$ (14,430)	\$ (5,570)
(Less Medicaid & E-Rate)	\$ (123,000)	\$ (88,747)	\$ (34,253)
(Less: Television Production)	\$ (80,400)	\$ (80,400)	\$ -
Total Other Revenue	\$ (239,952)	\$ (195,520)	\$ (44,432)
(Increase) over Prior Year	\$ (8,848)	\$ (3,008)	\$ (3,837)
STEP 6:			
Operating Assessment (Step 3-4c-5)	\$ 10,204,311	\$ 7,262,788	\$ 2,961,526
Less: Use of E&D	\$ -	\$ -	\$ -
Less: FY19 Prepayments	\$ -	\$ -	\$ -
Adj. Operating Assessment	\$ 10,204,311	\$ 7,262,788	\$ 2,961,526
Increase/(Decrease) from PY \$	\$ 725,884	\$ 363,841	\$ 372,223
Increase/(Decrease) from PY %	7.7%	6.13%	14.43%
STEP 7:			
Capital Assessment	\$ 2,181,844	\$ 1,674,314	\$ 807,830
Capital/(SRO Cruiser)	\$ 9,827	\$ 7,090	\$ 2,737
Capital/(SPED Van)	\$ 35,500	\$ 25,614	\$ 9,886
Capital/Lease payoff	\$ 23,208	\$ 16,745	\$ 6,463
Capital/Text/Science Equip	\$ 32,000	\$ 23,089	\$ 8,911
Less: Return of E&D	\$ -	\$ -	\$ -
Total Capital Assessment	\$ 2,282,479	\$ 1,848,862	\$ 836,827
(Allocated Based on Enrollment)			
Increase/(Decrease) from PY \$	\$ 98,090	\$ 45,264	\$ 62,838
Increase/(Decrease) from PY %	4.5%	2.8%	8.1%
STEP 8:			
Total Assessment	\$ 12,486,790	\$ 8,889,838	\$ 3,587,152
Increase/(Decrease) from PY \$	\$ 823,854	\$ 388,895	\$ 425,059
Increase/(Decrease) from PY %	7.1%	4.7%	13.4%

FY21 Tentative Budget - Statutory Assessment Model

Step 1 - Step 4

	Total	Somerset	Berkley
FY20 (EST-GOV)			
Students	1,012	742	270
Student %		73.3%	26.7%
Total Budget	\$17,809,484		
Tech Infrastructure	\$176,000		
Retiree Medical	\$110,000		
Net Operating Budget - REVISED	\$16,710,076		
STEP 1:			
Minimum Local Contribution	\$ 8,091,430	\$ 4,451,738	\$ 1,838,892
STEP 2:			
Above Minimum	\$ 8,618,646	\$ 7,052,408	\$ 2,588,238
STEP 3:			
Above Min + MLC	\$ 16,710,076	\$ 11,504,144	\$ 4,205,931
STEP 4:			
Chapter 70 Allocation			
a.) Foundation Aid			
Foundation Budget	\$ 11,794,353	\$ 8,847,838	\$ 3,146,715
Less: MLC	\$ (8,091,430)	\$ (4,451,738)	\$ (1,838,892)
Total Foundation Aid	\$ 5,702,923	\$ 4,196,900	\$ 1,607,823
b.) Excess Foundation Aid		\$ -	\$ -
c.) Total Chapter 70	\$ 5,702,923	\$ 4,196,900	\$ 1,607,823

	Total	Somerset	Berkley
Statutory Calculation			
FY21 (EST-GOV)			
Students	1,027	741	286
Student %		72.2%	27.8%
Total Budget	\$19,452,881		
Staff reduction #1	(\$230,438)		
Staff reduction #2	(\$188,720)		
Staff reduction #2	(\$183,148)		
Net Operating Budget	\$18,887,068	6.58%	%inc./(dec.)
		\$877,023	\$ inc./ (dec.)
STEP 1:			
Minimum Local Contribution (DESE)	\$ 8,304,771	\$ 4,505,298	\$ 1,799,473
Increase over Prior Year	\$ 213,341	\$ 53,580	\$ 159,781
STEP 2:			
Above Minimum (Allocated based on Enrollment)	\$ 10,282,327	\$ 7,418,884	\$ 2,883,433
Increase over Prior Year	\$ 683,682	\$ 388,488	\$ 297,194
STEP 3:			
Above Min + MLC	\$ 18,587,098	\$ 11,924,192	\$ 4,682,908
Increase over Prior Year	\$ 877,023	\$ 420,048	\$ 458,976
STEP 4:			
Chapter 70 Allocation			
a.) Foundation Aid			
Foundation Budget (DESE)	\$ 12,447,808	\$ 8,981,184	\$ 3,466,422
Less: MLC (above)	\$ (8,304,771)	\$ (4,505,298)	\$ (1,799,473)
Total Foundation Aid	\$ 6,142,836	\$ 4,475,886	\$ 1,666,949
b.) Excess Foundation Aid		\$ -	\$ -
c.) Total Chapter 70	\$ 6,142,836	\$ 4,475,886	\$ 1,666,949
Increase over Prior Year	\$ 438,912	\$ 238,272	\$ 203,640

FY21 Tentative Budget - Statutory Assessment Model

Step 5 - Step 8

STEP 5:			
(Less Charter School Reimb.)	\$ (9,908)	\$ (7,283)	\$ (2,643)
(Less Interest Income)	\$ (20,000)	\$ (14,884)	\$ (5,338)
(Less Medicaid & E-Rate)	\$ (123,000)	\$ (90,184)	\$ (32,816)
Less: Television Production	\$ (80,400)	\$ (80,400)	\$ -
	\$ (233,308)	\$ (192,511)	\$ (40,795)
STEP 6:			
Operating Assessment (Step 3-4c-5)	\$ 9,773,848	\$ 7,116,733	\$ 2,658,113
Less: Use of E&D	\$ (295,389)	\$ (218,580)	\$ (78,809)
Less: FY18 Prepayments	\$ -	\$ -	\$ -
Adj. Operating Assessment	\$ 9,478,457	\$ 6,898,153	\$ 2,579,304
Increase from PY \$			
Increase from PY %			
STEP 7:			
Capital Assessment	\$ 2,184,389	\$ 1,801,697	\$ 682,792
Less: Return of E&D	\$ -	\$ -	\$ -
Total Capital Assessment	\$ 2,184,389	\$ 1,801,697	\$ 682,792
Increase from PY \$	\$ (14,889)	\$ (14,750)	\$ 81
Increase from PY %	-0.7%	-0.8%	0.0%
STEP 8:			
Total Assessment	\$ 11,662,848	\$ 8,699,751	\$ 3,162,995
Increase from PY \$			
Increase from PY %			

STEP 5:			
(Less Charter School Reimb.)	\$ (18,552)	\$ (11,943)	\$ (4,809)
(Less Interest Income)	\$ (20,000)	\$ (14,430)	\$ (5,570)
(Less Medicaid & E-Rate)	\$ (123,000)	\$ (88,747)	\$ (34,253)
(Less: Television Production)	\$ (80,400)	\$ (80,400)	\$ -
Total Other Revenue	\$ (239,952)	\$ (195,520)	\$ (44,432)
(Increase) over Prior Year	\$ (8,848)	\$ (3,009)	\$ (3,837)
STEP 6:			
Operating Assessment (Step 3-4c-5)	\$ 10,204,311	\$ 7,298,500	\$ 2,907,811
Less: Use of E&D	\$ -	\$ -	\$ -
Less: FY19 Prepayments	\$ -	\$ -	\$ -
Adj. Operating Assessment	\$ 10,204,311	\$ 7,298,500	\$ 2,907,811
Increase/(Decrease) from PY \$	\$ 725,854	\$ 387,347	\$ 328,507
Increase/(Decrease) from PY %	7.7%	5.78%	12.74%
STEP 7:			
Capital Assessment	\$ 2,181,844	\$ 1,674,314	\$ 807,830
Capital (SRD Cruiser)	\$ 9,827	\$ 7,090	\$ 2,737
Capital (SPED Van)	\$ 35,500	\$ 25,614	\$ 9,886
Capital-Lease payoff	\$ 23,208	\$ 16,745	\$ 6,463
Capital Text/Science Equip	\$ 32,000	\$ 23,089	\$ 8,911
Less: Return of E&D	\$ -	\$ -	\$ -
Total Capital Assessment	\$ 2,282,479	\$ 1,848,852	\$ 636,827
(Allocated Based on Enrollment)			
Increase/(Decrease) from PY \$	\$ 88,090	\$ 45,254	\$ 62,838
Increase/(Decrease) from PY %	4.6%	2.8%	9.1%
STEP 8:			
Total Assessment	\$ 12,486,790	\$ 8,943,352	\$ 3,543,438
Increase/(Decrease) from PY \$	\$ 823,944	\$ 442,802	\$ 351,342
Increase/(Decrease) from PY %	7.1%	5.2%	12.1%

Excess & Deficiency (E&D) and Stabilization Fund

Excess and Deficiency (E&D) Funds Balance as of June 30, 2019 was \$716,476

On March 23, 2020 SBRSD School Committee approved use of E&D funds as follows:

Retiree Medical Insurance	\$110,000
Technology Infrastructure	<u>\$175,000</u>
Total	\$285,000 to cover increase in FY20

Adjusted Excess and Deficiency (E&D) Funds Balance as of March 23 is \$431,476

Certified E&D at the 5% Cap as of June 30, 2019 is \$880,473

As of January 31, 2020, the balance in the SBRSD Stabilization Account is \$409,703.

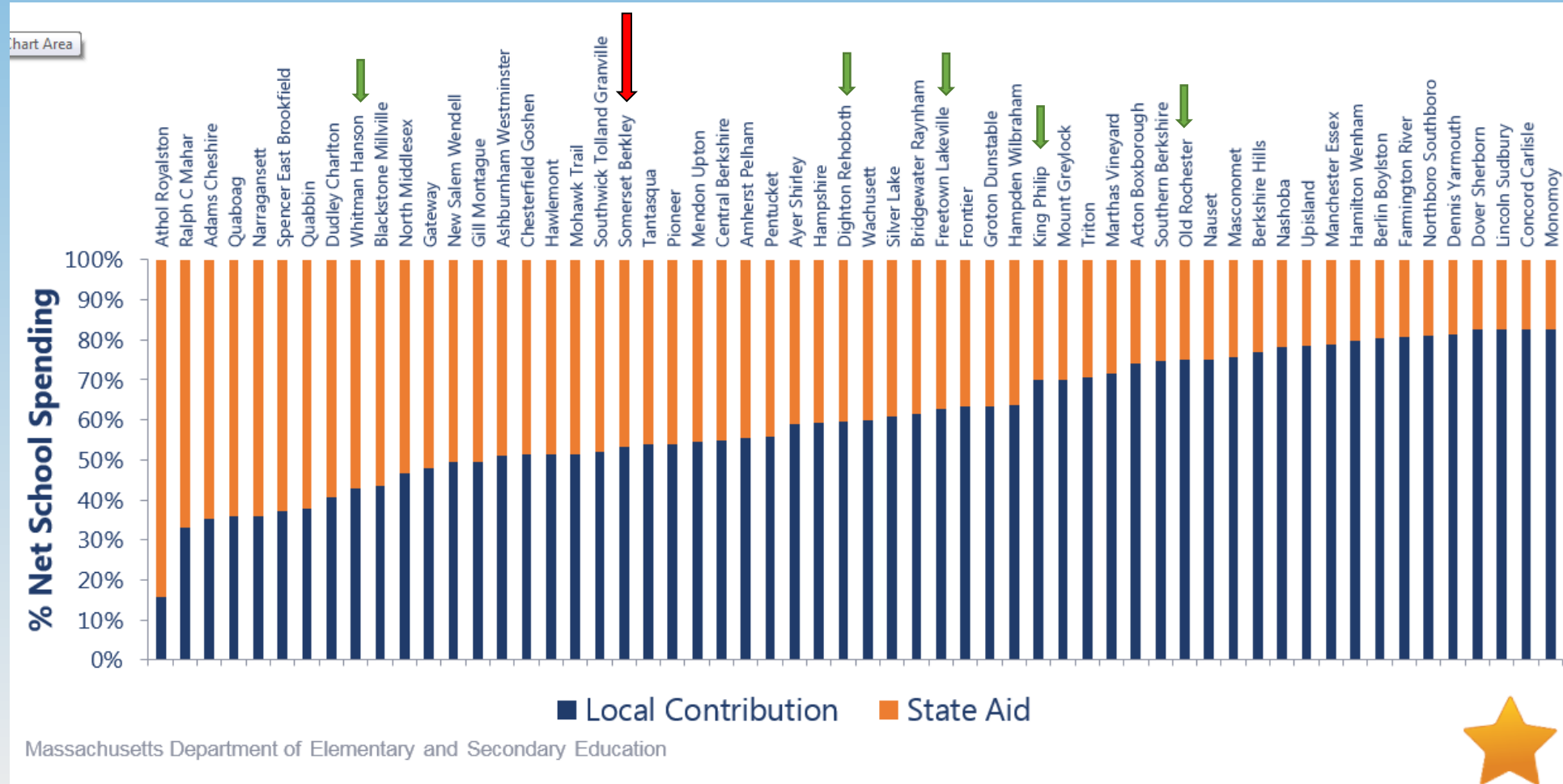
Summary

- The SBRSD FY21 Tentative Budget is 5.58% higher than the FY20 Adopted Budget and is driven by:
 - \$1,002,137 increase in collective bargaining obligations, transportation costs and out of district special education tuition
- Includes 8.5 reductions in staff with the potential to retain some positions with reductions in other lines or identification of other revenue sources
- Includes \$420,000 in new program funding as required by the SOA (with shifts from other existing programs and staff)
- Considers the current financial realities in both member communities as well as the potential economic downturn for the state and nation

Questions?

Additional Information

Districts receive different levels of Chapter 70 aid, because their community's ability to pay differs (discuss)



Somerset Berkley RSD receives approximately 48% of the annual required net school spending figure from Chapter 70 State Aid.

Required Contribution Analysis – Town of Berkley

- All School District's within a Community have a Foundation Budget that gets added together.
- State dictates a Community's Contribution as a % of Foundation Budget (FY21 Berkley 52.05% based on Property Values & Residential Income)
- This Percentage (52.05%) gets multiplied by the total Foundation for each School District for the Fiscal Year to come up with a Required Contribution for education per District.
- Regardless of net budget increases, based on enrollment for 4 School Dept.'s, Berkley would have to pay at least \$157,947 in additional assessment for FY21.

	Berkley	Somerset Berkley	Bristol Plymouth	Bristol County	Combined Total for All Districts
27 Berkley					
1 FY20 foundation enrollment	742	270	89	10	1,111
2 FY20 foundation budget	7,578,024	3,153,707	1,508,256	171,597	12,411,585
3 Each district's share of municipality's combined FY20 foundation	61.06%	25.41%	12.15%	1.38%	100.00%
4 FY20 required contribution	3,944,412	1,641,526	785,057	89,317	6,460,312
% of Required Contribution to Foundation Budget	52.05%	52.05%	52.05%	52.05%	52.05%
6 FY21 foundation enrollment	764	286	80	11	1,141
7 FY21 foundation budget	8,088,546	3,466,422	1,438,735	194,103	13,187,806
8 Each district's share of municipality's total FY21 foundation	61.33%	26.29%	10.91%	1.47%	100.00%
9 FY21 Required Contribution	4,198,889	1,799,473	746,869	100,762	6,845,993
% of Required Contribution to Foundation Budget	51.91%	51.91%	51.91%	51.91%	51.91%
Enrollment Increase/(Decrease) from Prior Year (FY20)	22	16	-9	1	30
10 Change FY21 to FY20 (9 - 4)	254,477	157,947	-38,188	11,445	385,681
Increase of Required Contribution as Percentage	3.36%	5.01%	-2.53%	6.67%	3.11%

Required Contribution Analysis – Town of Berkley (cont.)

	Berkley	Somerset Berkley	Bristol Plymouth	Bristol County	Combined Total for All Districts
27 Berkley					
1 FY20 foundation enrollment	742	270	89	10	1,111
2 FY20 foundation budget	7,578,024	3,153,707	1,508,256	171,597	12,411,585
3 Each district's share of municipality's combined FY20 foundation	61.06%	25.41%	12.15%	1.38%	100.00%
4 FY20 required contribution	3,944,412	1,641,526	785,057	89,317	6,460,312
% of Required Contribution to Foundation Budget	52.05%	52.05%	52.05%	52.05%	52.05%
6 FY21 foundation enrollment	764	286	80	11	1,141
7 FY21 foundation budget	8,088,546	3,466,422	1,438,735	194,103	13,187,806
8 Each district's share of municipality's total FY21 foundation	61.33%	26.29%	10.91%	1.47%	100.00%
9 FY21 Required Contribution	4,198,889	1,799,473	746,869	100,762	6,845,993
% of Required Contribution to Foundation Budget	51.91%	51.91%	51.91%	51.91%	51.91%
Enrollment Increase/(Decrease) from Prior Year (FY20)	22	16	-9	1	30
10 Change FY21 to FY20 (9 - 4)	254,477	157,947	-38,188	11,445	385,681
Increase of Required Contribution as Percentage	3.36%	5.01%	-2.53%	6.67%	3.11%

- *The most important factor with the SBRSD assessments for Berkley is the percentage of total high school students.*
- *For FY21; 73% attend SBRSD, 24% attend Bristol Plymouth and 3% attend Bristol Agriculture.*
- *Any fluctuation with high school population will adjust the Required Contribution for each District. This will tie directly into assessment fluctuations in combination with operating budget changes and Chapter 70 Aid contributions.*

Required Contribution Analysis – Town of Somerset

- **The Town of Somerset will recognize an increase of \$49,392 in additional assessment for FY21, simply due to increase in FY21 Required Contribution.**

273 Somerset		Somerset	Somerset Berkley	Greater Fall River	Bristol County	Combined Total for All Districts
1	FY20 foundation enrollment	1,778	742	120	21	2,661
2	FY20 foundation budget	18,329,520	8,666,855	2,101,184	360,353	29,457,913
3	Each district's share of municipality's combined FY20 foundation	62.22%	29.42%	7.13%	1.22%	100.00%
4	FY20 required contribution	9,423,790	4,455,906	1,080,286	185,269	15,145,251
	% of Required Contribution to Foundation Budget	51.41%	51.41%	51.41%	51.41%	51.41%
5	FY21 total unapportioned required contribution ('municipal contribution' tab row 19 or 25)					15,305,791
6	FY21 foundation enrollment	1,758	741	132	20	2,651
7	FY21 foundation budget	18,701,770	8,981,184	2,475,792	352,915	30,511,661
8	Each district's share of municipality's total FY21 foundation	61.29%	29.44%	8.11%	1.16%	100.00%
9	FY21 Required Contribution	9,381,508	4,505,298	1,241,950	177,035	15,305,791
	% of Required Contribution to Foundation Budget	50.16%	50.16%	50.16%	50.16%	50.16%
	Enrollment Increase / (Decrease) from Prior Year (FY20)	(20)	(1)	12	(1)	(10)
10	Change FY21 to FY20 (9 - 4)	(42,282)	49,392	161,664	(8,234)	160,540

Preliminary FY20 Gross Operating Budget Expenses

