

# Douglas Public Schools



Fiscal Year 2019  
Superintendent's Proposed Budget  
FY 2019 Budget Public Hearing  
April 4, 2018

# Superintendent's Message

- ▶ FY 2019 House 2 Governor's Budget Chapter 70 increase - \$ 25,200 (\$20 per student or .29 %)
- ▶ \$ 3,141,492 is recommended to be used from Revolving Funds and grants as budgetary offsets (School Choice, Circuit Breaker, Athletic, Music, Preschool Tuition Fees, and Grants).
- ▶ The FY 2019 Superintendent's Budget was presented to the School Committee on February 14<sup>th</sup>. At that time, we did not have the FY 2019 School Department appropriation amount from the town. On March 9<sup>th</sup>, the School District received an appropriation amount of \$12,679,853 (\$209,484 less than FY 2018 and \$119,025 less than FY 2017)
- ▶ Extremely limited town financial resources is forcing the school district to rely more heavily on school choice revenue and circuit breaker, thereby reducing the school department's financial flexibility to deal with issues as they arise throughout the fiscal and school year. These balances will continue to decrease and will not be able to be relied on to this extent in future years.

# FY 2019 Budgetary Challenges

## ▶ **Local Issues**

- Out of District and In District Special Education expenditures continues to be large.
- Town's capacity to fund education at adequate levels is very limited.
- FY17 and FY18 School department budget and town expenditures that count towards NSS very close to the required DESE Net School Spending Requirement. Must monitor FY 2018 NSS and going forward.
- Continued decline in student enrollment (students attending other public school districts through School Choice, Blackstone Valley Technical School and Norfolk Agricultural, as well as students opting to attend private and parochial schools which hurts both the school (declining enrollment reduces finances) and the town (increased assessments).
- Mandated programs and costs continue to rise (MCAS/PARCC, Common Core, anti-bullying law, new discipline law, educator evaluation, RETELL)
- Increase in English Learner population and associated mandates

## SPECIAL EDUCATION TUITION COSTS GENERAL FUND /CIRCUIT BREAKER/GRANT

		<b><u>Annual % Increase</u></b>
▶ FY 2010	\$ 242,624	
▶ FY 2011	\$ 383,314	57.99%
▶ FY 2012	\$ 527,058	37.50%
▶ FY 2013	\$ 506,382	- 3.92%
▶ FY 2014	\$ 967,981	91.16%
▶ FY 2015	\$1,127,987	16.53%
▶ FY 2016	\$2,241,380	98.71%
▶ FY 2017	\$2,420,462	7.99%
▶ FY 2018 *	\$2,345,351	-3.10%
▶ FY 2019 *	\$2,047,761	-12.69%

**This points out both the huge increase as well as the volatility of special education tuitions.**

**Prepared: March 23, 2018. \*FY 2018 & FY 2019 are budget and subject to change.**

# FY 2019 Budget Chronology

FY 2019 Supt. Proposed Budget–2/14/18	\$13,323,523
<u>FY 2019 Town Appropriation</u>	<u>\$12,679,853</u>
Amount to reduce FY19 Budget	\$ 643,670
Reductions to Budget Lines Districtwide	\$ 132,358
Additional Use of School Choice Tuition	\$ 400,000
<u>Additional Use of Circuit Breaker Reimb.</u>	<u>\$ 111,312</u>
Total Reductions and Addl. Use of RF	\$ 643,670

*After years of reductions, it becomes more difficult to make reductions as the school department has not been budgeting for many items that we need as we know we will need to remove them from the budget.*

*Therefore, we are utilizing more of our revolving fund balances and revenues to maintain a level-service budget from FY 2018 into FY 2019.*

# FY 2019 Updated Budget

Current status of the FY 2019 Budget (General Fund & Other Sources)

Maintains current FY 2018 staffing levels districtwide

Maintains Athletic and Co-curricular Programs districtwide

Maintains Athletic fees at \$225 per sport for DHS and \$175 per sport for DMS.

Does not includes any new programs to enhance educational offerings for students to be or remain competitive with competing school districts which results in students opting to leave the school district

Requires huge increased use of Revolving funds that is not sustainable.

# Proposed Updated FY 2019 Budget Summary

▶ DW Budget	\$1,805,229	
▶ DPS Budget	\$1,681,931	
▶ DES Budget	\$2,649,243	
▶ DMS Budget	\$2,574,774	
▶ <u>DHS Budget</u>	<u>\$3,968,676</u>	
Total FY 2019	\$12,679,853	-1.63%

Includes use of \$3,141,492 in fund balance/revenue offsets (Circuit Breaker, School Choice, Preschool, Athletics, and Music Revolving Funds, and Grants).

➤ REG ED Transportation	\$840,600	
➤ <u>SPED Transportation</u>	<u>\$514,186</u>	
➤ Total FY 2019	\$1,354,786	13.60%

<b>Grand Total</b>	<b>\$14,034,639</b>	<b>-.34%</b>
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# Proposed/Projected Circuit Breaker

	<u>FY 2018</u>		<u>FY 2019</u>
7/1/17	\$1,042,848	<u>Proj.</u> 7/1/18*	\$ 848,936
Proj. Rev.	\$1,174,321	<u>Proj.</u> Rev.*	\$1,243,007
Budgeted Exp* (\$1,368,233)		Budgeted Exp* (\$1,511,312)	
<u>Proj.</u> 6/30/18*	\$ 848,936	<u>Proj.</u> 6/30/19*	\$580,631

\*As always, these are projections and are subject to change. Particularly due to possible Extraordinary Relief and adjustments to expenditures. This would also affect projected ending balance.

\*As always, these are projections and are subject to change after the files are uploaded and reviewed by DESE. Final reimbursement amount is subject to appropriation. *Projected year end balance for unanticipated FY19 and FY20 carryover.*



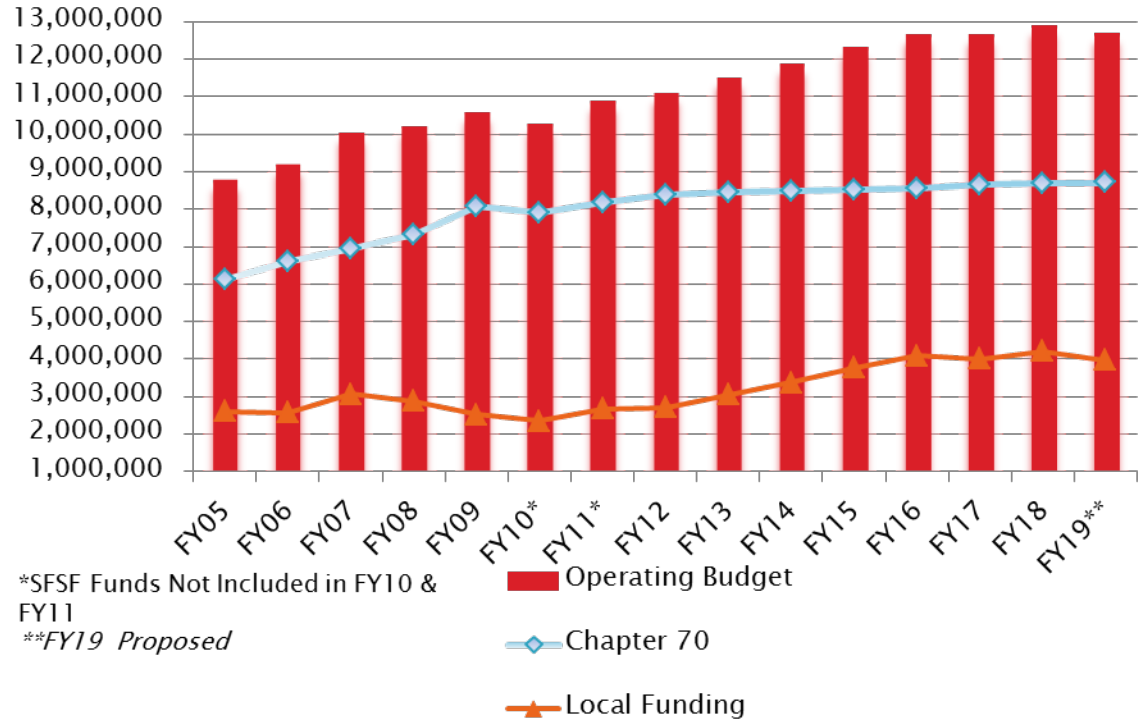
# Proposed/Projected School Choice Tuition

	<u>FY 2018</u>		<u>FY 2019</u>
7/1/17	\$ 948,066	7/1/18*	\$856,375
Proj. Rev.*	\$ 668,550	<u>Proj.</u> Rev.*	\$668,550
Expenditures*	(\$760,241)	Budgeted Exp*	(\$1,023,053)
<u>Proj.</u> 6/30/18*	\$856,375	Proj. 6/30/19*	\$501,872

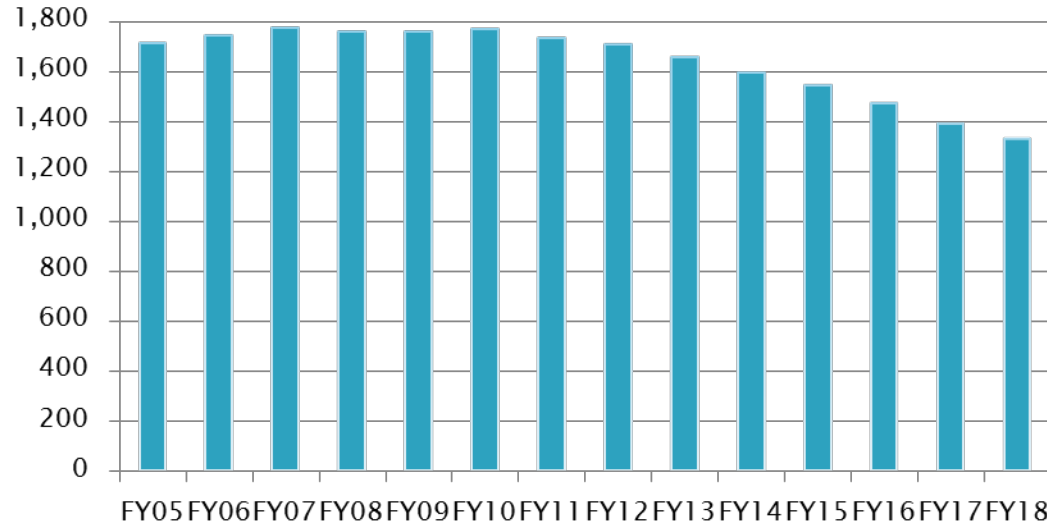
\*These are projections and are subject to change. Particularly due to closing the fiscal year

\*These projections are subject to change due to changes in enrollment as well as carryover balance due to closing the fiscal year.

## Operating Budget Compared to State Aid and Local



## Douglas Public Schools Student Enrollment Trend



## Students attending other Schools – School Choice OUT and decreases in School Choice IN & Overall Declining Enrollment

School Year	Receiving	Sending Public	Sending Private	BVT	Norfolk Aggie	Total Sending
2012–2013	<b>110</b>	<b>40</b>	<b>64</b>	<b>72</b>	<b>0</b>	<b>176</b>
2013–2014	131	35	76	79	2	192
2014–2015	135	39	83	79	1	202
2015–2016	117	49	72	79	6	206
2016–2017	124	63	99	94	6	262
2017–2018	<b>110</b>	<b>76</b>	<b>123</b>	<b>110</b>	<b>8</b>	<b>317</b>
School Year	Enrollment					
2012–2013	<b>1646</b>					
2013–2014	1601					
2014–2015	1544					
2015–2016	1476					
2016–2017	1389					
2017–2018	<b>1328</b>					

## Key Points for Thoughtful Consideration:

- ▶ Chapter 70 level funded plus minimal increase of \$20 per student, despite declining enrollment, only due to the Hold Harmless Provision
- ▶ Having only funded the school budget at minimal levels of funding has contributed to a negative trend in enrollment with students opting to attend school districts elsewhere. This trend has proven to have negative ramifications to the Douglas Public School District, its students, and the overall stability of the community
- ▶ Students opting to attend schools districts elsewhere will continue to increase the assessments to the town budget, thereby decreasing overall funding all town departments, services, and the overall stability of the community
- ▶ Not maintaining and sustaining a viable competitive school district will result in the continuation of the current situation going forward

# Final Steps to Budget Adoption

- Wednesday, April 4, 2018 – Budget Public hearing and School Committee Discussion and Approval of budget
- Monday, May 7, 2018 - Annual Town Meeting & Special Town Meeting
- Tuesday, May 8, 2018 – Annual Town Election & Override Vote
- The School Committee final budget will be posted on the Douglas Public Schools Website