

4. Committee Reports:

Finance: No report

Curriculum: No report

Transportation: No report

Facilities: No Report

Policy: No Report

Special Education: No report

Personnel: Norma Snow reported the committee had met prior to the April Board meeting to discuss the addition of a part time Nurse position.

5. Administrative Reports:

None

6. Superintendent Report:

FY18 Budget Overview

Jay presented an overview of the FY18 budget (See attached) and will be holding three informational meetings throughout the District to share this information prior to the District Budget Meeting on Wednesday, May 24, 2017 at 7:00 in the new Molly Ockett School Gymnasium. Dates of meetings are listed below.

7. New Business

None

8. Unfinished Business

- Discussion/Formal vote on FY18 Budget to be presented to District.

A motion was made to approve the proposed FY18 District budget.

Motion: Norma Snow

Second: Laurie Weston

Passed
All in favor

9. Personnel

None

10. Public Discussion: (15 Minutes)

Note: Discussions/questions should pertain to items discussed at this meeting.

None

11. Agenda Planning/Adjournment:

Next Meeting: **May 10, 2017 – Special Meeting - Sign FY18 Budget Warrants - 7:00**
May 15, 2017 - FY18 Budget Informational Meeting at BDES - 6:30
May 16, 2017 - FY18 Budget Informational Meeting at NS - 6:30
May 17, 2017 - FY18 Budget Informational Meeting at MOS - 6:30
May 24, 2017 - District Budget Meeting/Vote at MOS gym – 7:00
June 14, 2017 - Regular Board Meeting – 7:00

A motion was made to adjourn the meeting.

Motion: Norma Snow

Second: Christopher Burk

Passed
All in favor

Meeting adjourned at 7:55.

Respectfully Submitted,



Heather Sheehan
Recording Secretary

MSAD 72 Budget Overview
FY18: 2017-2018 School Year

Broad Themes

- Debt Service
- Building Project Referendum
- State Funding
- The Tightrope

Priorities

- Make decisions based upon what is in the best interest of students.
- Determine how to best utilize resources to meet the needs of ALL students.
- Make attempts to meet student needs that aren't currently being met.
- Be fiscally responsible to our taxpayers.

Essential Programs and Services

- How does **State funding** work?

- Two basic factors:
 - Student Counts
 - Valuation

EPS Calculations: Student Count

Total Municipal Distribution= \$14,384,914

• Fryeburg	498.0 (45.67%)	\$6,569,590
• Brownfield	216.0 (19.81%)	\$2,849,651
• Lovell	140.0 (12.84%)	\$1,847,023
• Denmark	123.5 (11.33%)	\$1,629,811
• Stow	48.0 (4.40%)	\$632,936
• Sweden	41.0 (3.75%)	\$493,403
• Stoneham	37.5 (3.43%)	\$362,500

EPS: Towns' Capacity to Pay

<u>Valuation X Mill Rate (8.29)</u>	<u>Total/Town</u>
– Lovell	\$4,194,326
– Fryeburg	\$2,992,690
– Denmark	\$2,263,723
– Brownfield	\$1,419,524
– Sweden	\$697,327
– Stoneham	\$618,849
– Stow	\$379,820

Local Required (8.29 mills)

- Brownfield \$1,419,524 (8.29)*
- Denmark \$1,629,811 (5.97)
- Fryeburg \$2,992,690 (8.29)*
- Lovell \$1,847,023 (3.65)
- Stoneham \$362,500 (4.86)
- Stow \$379,820 (8.29)*
- Sweden \$493,403 (5.87)

*State contributes anything over this amount within the Essential Programs and Services funding model.

Additional Local Funds (Outside State Formula) 60% Valuation/40% Student Count

Town:	Town's % used for local share above EPS	Local share above EPS
Brownfield	0.14700761	503,645.49
Denmark	0.15338608	525,498.02
Fryeburg	0.32556020	1,115,363.51
Lovell	0.25161867	862,041.14
Stoneham	0.03963522	135,789.56
Stow	0.03574184	122,450.92
Sweden	0.04705038	161,193.76
Total	100%	8,425,982

MSAD 72 Operating Budget

- FY18 \$18,851,510 (\$1,417,712 Debt Service)
- FY17 \$17,199,140 (\$423,426 Debt Service)
- FY16 \$16,425,555
- FY15 \$16,211,892
- FY14 \$15,870,863
- FY13 \$15,803,563
- FY12 \$15,607,076
- FY11 \$15,460,454
- FY10 \$16,080,725
- FY09 \$16,433,742
- FY08 \$16,515,660

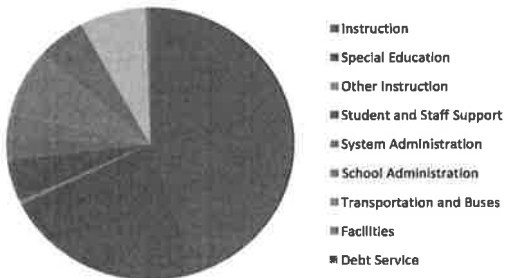
History of MSAD 72 Budget Increases

- FY18 9.61% (3.92% without Debt Service)
- FY17 4.71% (2.13% without Debt Service)
- FY16 1.32%
- FY15 2.15%
- FY14 0.44%
- FY13 2.49%
- FY12 1.92%
- FY11 -4.84%
- FY10 -3.64%
- FY09 -0.50%
- FY08 2.92%

Budget Cost Centers

Cost Centers		
Instruction	8,435,354	44.75%
Special Education	4,317,385	22.90%
Other Instruction	89,411	0.47%
Student and Staff Support	940,325	4.99%
System Administration	508,603	2.70%
School Administration	529,718	2.81%
Transportation and Buses	1,479,195	7.85%
Facilities	1,033,808	5.48%
Debt Service	1,417,712	7.52%
Food Service	100,000	0.53%
Total	18,851,510	100%

Cost Centers Continued



Non Negotiables

- Secondary Costs (Contract Driven)
- Transportation Costs (Contract and IEP Driven)
- Special Education Costs (IEP Driven)
- Operational Costs (Heat and Electricity)
- Debt Service (20-Year Bond)

Debt Service

- To repay the bond for the building project, the District will be assessed one principal and two interest payments. This is assessed through the State's Essential Programs and Services (EPS) model.
- This year, the two interest payments and principal payment total \$1,417,712.

Fryeburg Academy Contract 2014-2019

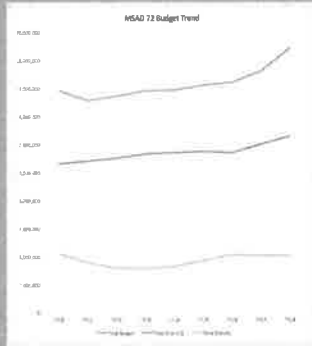
- Primary Costs:
 - Maximum Allowable Tuition x 12.5%
 - Insured Value Factor of 6% x 12.5%
 - Teacher Retirement Costs
 - Special Education Costs
 - Transportation
- Tuition Costs:
 - FY12 \$9,275
 - FY13 \$9,317
 - FY14 \$9,670 + \$157 TR = \$9,827
 - FY15 \$10,339
 - FY16 \$10,739
 - FY17 \$11,162
 - FY18 \$11,603* (4% projected increase)

State Subsidy

• FY18	\$5,260,143	\$4,012,881*
• FY17	\$4,372,730	\$4,069,832*
• FY16		\$4,109,156
• FY15		\$3,652,940
• FY14		\$3,437,519
• FY13		\$3,146,906
• FY12		\$3,152,055
• FY11		\$3,885,413
• FY10		\$4,117,862
• FY09		\$4,323,149
• FY08		\$5,202,676

*without debt service for project

State vs. Local Contribution



Budget Impacts FY18

- Debt Service for the Building Project Bond (\$1,417,712).
- There is an increase in secondary instruction (\$71,000).
- Special-Education costs have increased (\$344,500) – all costs are driven by student needs. This includes an increase in out-of-district tuition costs (\$44,600) as well as out-of-district transportation costs (\$135,938).
- Minor Capital Improvements (\$29,500) – which includes addressing the heating system at Brownfield-Denmark School.

Dynamic Tension

- There are two basic forces at play within the budget process:
 1. Meeting the needs of students.
 2. Creating a budget that taxpayers can support.

- Complicating Factors:
 - The impact of the budget varies from town-to-town.
 - Each town’s pupil count and valuations change from year-to-year.
 - There is incredible variance in how the same budget can impact two different towns.
 - » 9.49% (High)
 - » 1.94% (Low)

Controlling the Budget

- With roughly 4.5% of the total budget being “discretionary,” there are only two possible methods to minimize the tax impact. Those are:
 1. Increase Revenues (not feasible)
 2. Make Cuts

Budget Reductions in Recent Years

Staffing Totals	FY18	FY17	FY16	FY15	FY14	FY13	Change
	759	744	729	740	756	775	-16.0
Teachers	41	42	42	43	43	46	-5.0
UA	8.8	8.8	8.6	8.6	9.8	9.8	-1.0
Literacy Special	2.8	2.8	2.8	2.8	2.3	2.3	0.5
Ed Techs	5	5	6	7	10	10	-5.0
Guidance	2.8	2.8	3.4	3.0	3.4	3.4	-0.6
Librarians	1.5	1.5	1.0	1.0	1.0	1.0	0.5
Library Ed Techs	1.0	1.0	1.8	1.8	1.8	1.8	-0.8
Secretaries	4.0	4.5	4.5	5.0	5.0	5	-1.0
Student Support	3.5	3.5	3.0	2.4	2.0	2	1.5
CO Admin Asst	5.0	5.8	5.8	5.8	5.8	6	-1.0
Admin	6	6	6	6	6	7	-1.0

Additional Cost-Savings

- Reduction of 1 Teaching Position (Prior Page)
- Reduction of ½ CO Position (Prior Page)
- Removal of Proposed Behavioral Analyst
- Deferral of Paving Project at New Suncook
 - Use of CIP (Fund 4000) to Cover \$174,000
 - Raise an Additional \$55,000 in FY19
- Use of Title VI for Some Technology

District Tax Impact

• Brownfield	\$80,454	4.36%
• Denmark	\$97,649	4.74%
• Fryeburg	\$141,592	3.56%
• Lovell	\$235,352	9.49%
• Stoneham	\$10,086	2.06%
• Stow	\$12,503	2.55%
• Sweden	\$12,499	1.94%
Overall	\$590,134	4.93%

District Budget Meeting

Wednesday, May 24th
7PM @ The Molly Ockett School

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