Special Town Meeting

ARTICLE 1 AMEND FY 2011 OPERATING BUDGET

Boxborough School Committee
May 9, 2011

Appropriated $5,360,590 for FY 2011 for Blanchard School

- The FY11 voted budget of $5,360,590 represented a .5% increase over FY 2010
- Made assumptions about general and special education requirements based on best information
- Resulted in an operating budget with little room for unexpected circumstances

Unexpected Special Ed Expense & Incorrect Allocation of Grants-FY'11

- Unexpected Special Ed tuition $79,000
- Incorrect allocation of grants $86,245

- Total impact on FY 2011 budget $165,245

Immediate Remedies Made to Extent Possible

- Special education tuition - planned to use salary savings to cover cost of unbudgeted out-of- district placement
- With two issues, solution required more:
  - Looked to unplanned funding sources
  - Froze spending as of February 2011
  - Considered asking Town for additional support

Adjustments Resulted in Request for $82,000 Increase

• Funding sources greater than budgeted	$57,300
• Froze spending as of Feb 2011	$25,945
• Total adjustments	$83,245
• Total need	$165,245
• Remaining need	$82,000

Management Changes to Prevent Future Issues:

- Financial data is presented “broad” not net:
  - Total costs for Blanchard operations
  - Less other available funding sources
  - Equals Town appropriation
- Evaluating use of VADAR for all school accounting in FY 2012

TOWN OF BOXBOROUGH

Annual Town Meeting

FY2012 Budget

Finance Committee

Presentation

May 9, 2011

PRESENTATION OVERVIEW

- Boxborough Finance Committee
- Town Data
- FY2012 Budget
- Cash Reserves
- Town Liabilities
- Contracts
- Capital Plan
- Summary & Conclusions

FINCOM MEMBERS

- Karim Raad –Chair
- Jim Ham – Vice Chair
- Gary Kushner – Secretary
- Susan Bak
- Amy Burke
- William F. Burke
- Neal Hesler
- Joe Niro
- Dilip Subramanyam

FINCOM ROLE

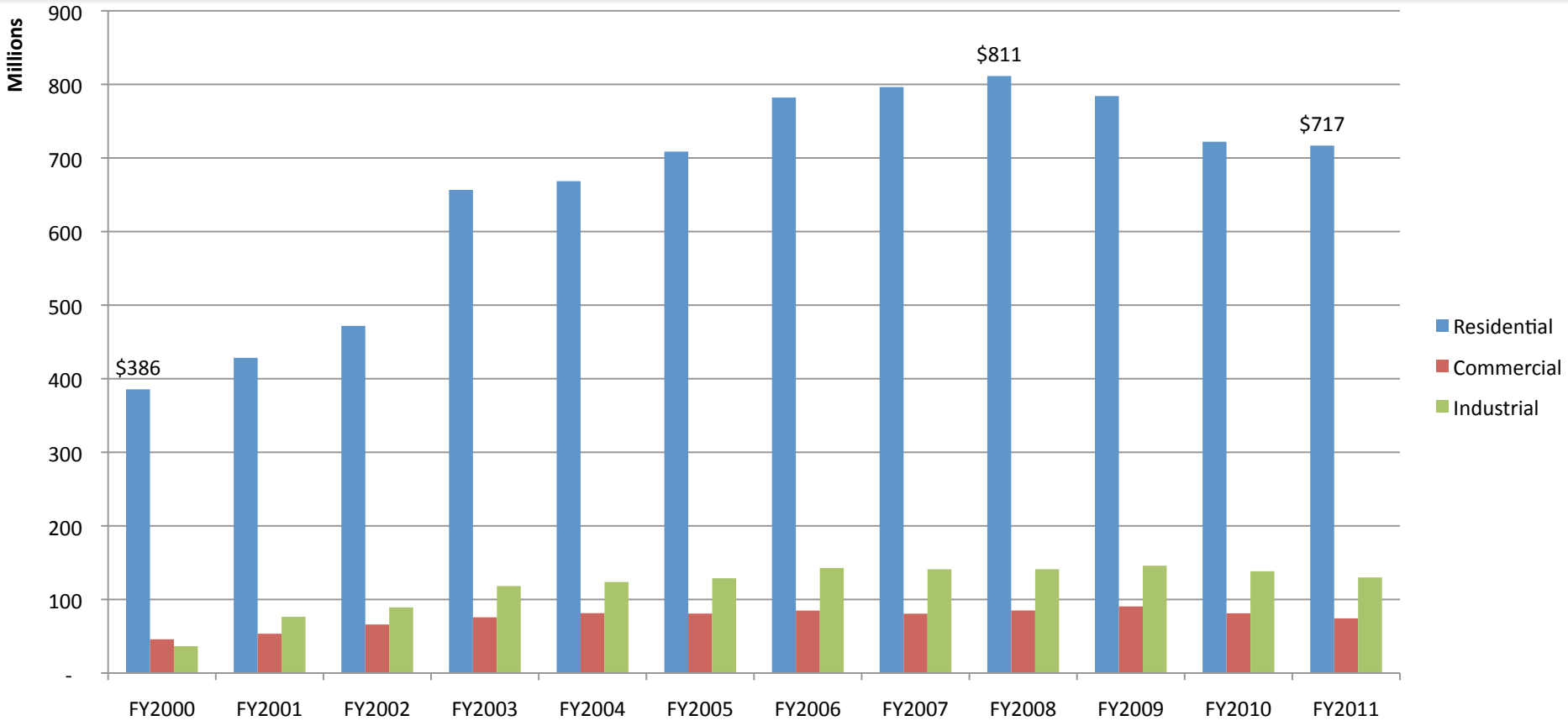
- Work with Town Boards, Officers and various committees to prepare and present the annual Town Budget at Town Meeting
- Review and approve Reserve Fund transfers to pay for unforeseen expenses
- General financial oversight of all town matters and short/ long-term financial planning
- In summary, represent the taxpayers of Boxborough in the ongoing operations of the town

FY2012 BUDGET GOALS

- **Budget Goals:**
  - Minimize Property Tax Increases
  - Avoid Prop 2 ½ override
  - Minimize Increase in Expenses
  - Maintain Level Services
  - Manage Long-Term Debt via Capital Planning Process

- **Approach:**
  - Align Department Budget to Needs of the Town
  - Keep wage/salary increases to 1%
  - Reviewed FY10 Actual and FY11 YTD Spending

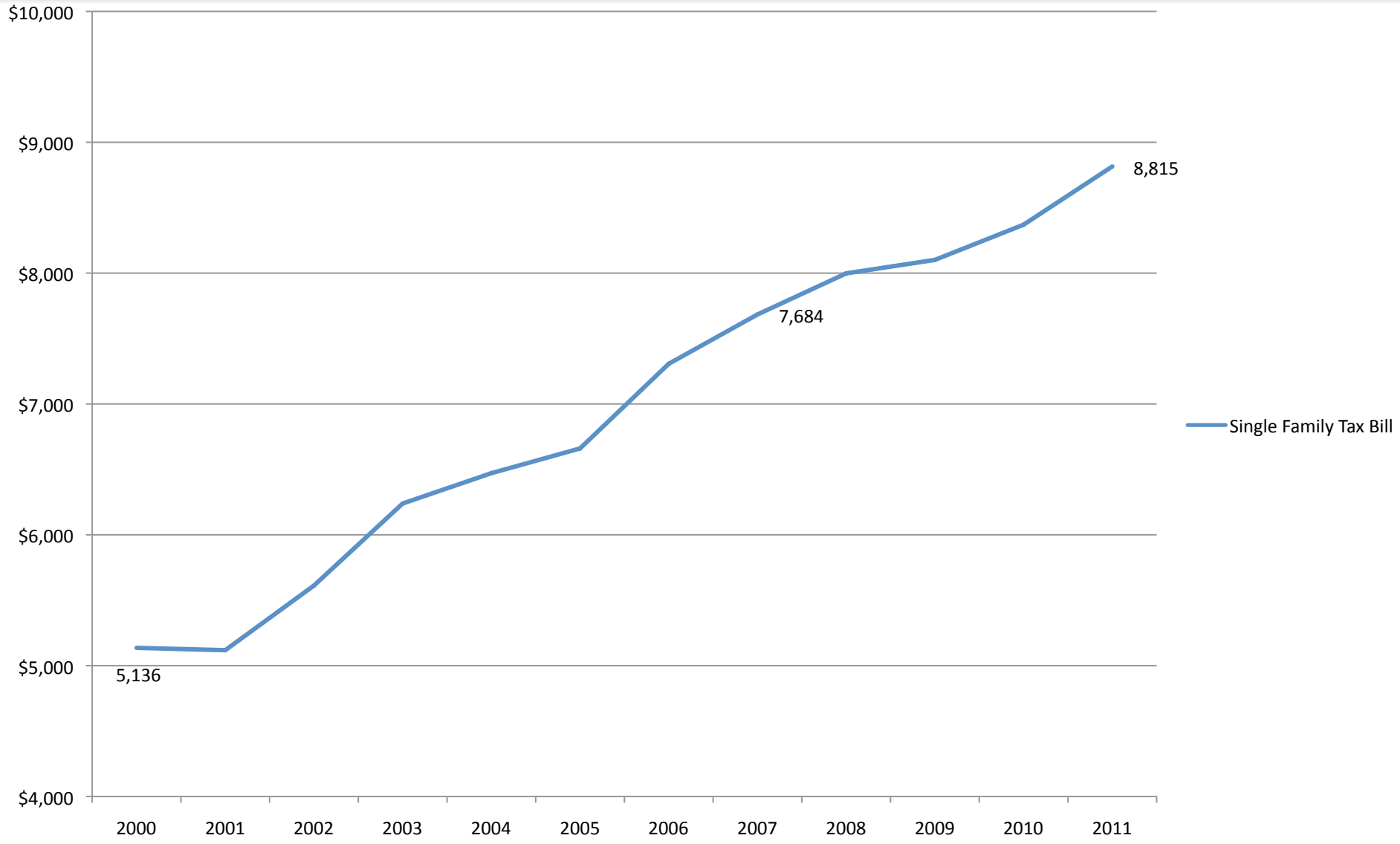
TOWN VALUATION TREND



- Town Valuation peaked in 2007/2008
- Approximately 80% of Tax base is Residential
- Commercial tax base low and declining

Town of Boxborough data

AVERAGE SINGLE FAMILY TAX BILL TREND

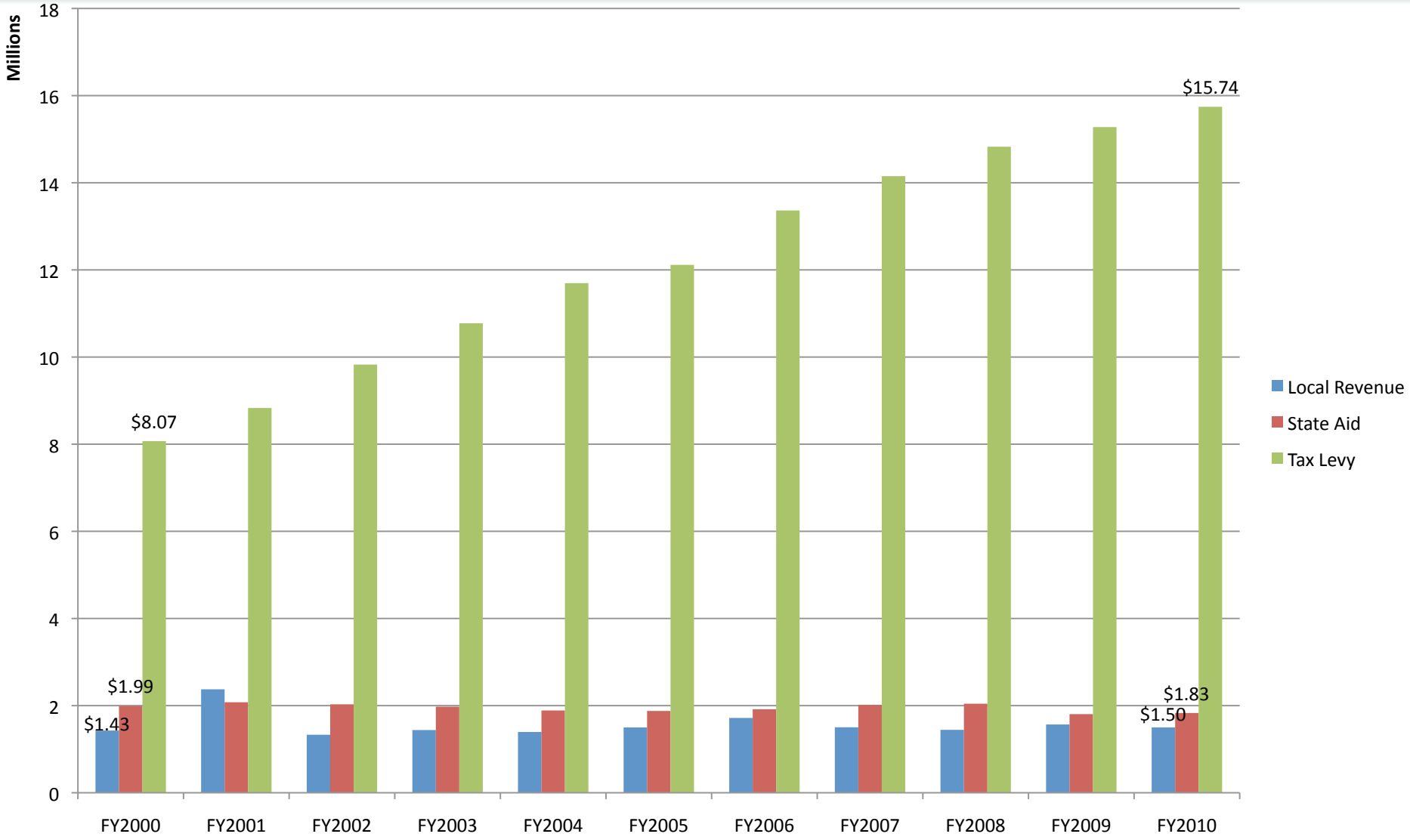


Town of Boxborough data

Average Homeowner Property Tax Burden 2007-2012

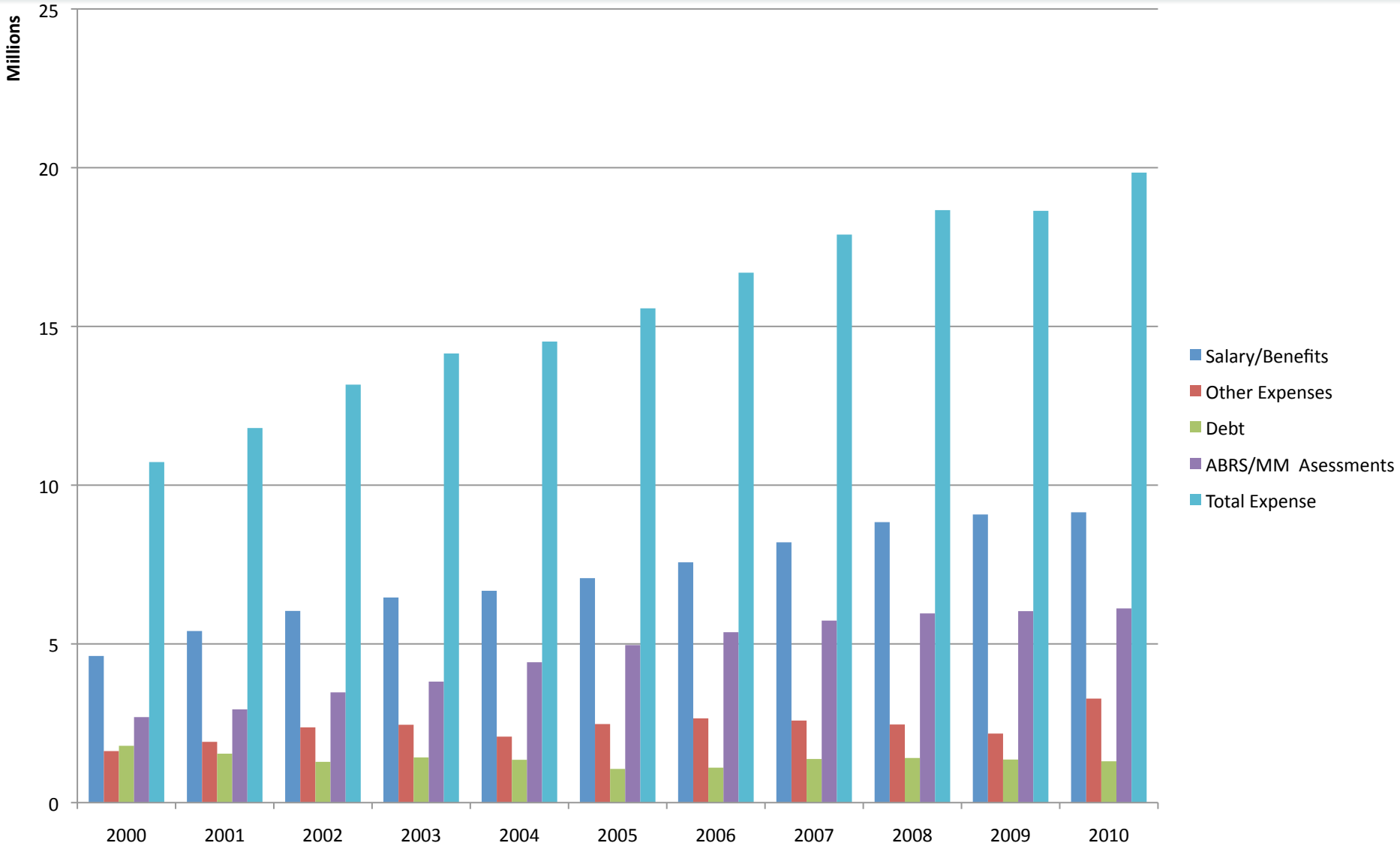
- Grew 14.72% or $1,131 in the last five years
- Average growth of 2.94% or $226 per year
- Estimated to grow by 2.93% or $258 in 2012

TOWN REVENUE TREND



Town of Boxborough data

TOWN EXPENSE TREND



Town of Boxborough data

Total Expense 2007 - 2012

- Grew 9.9% or $1.8 million in the last five years
- Average growth of 2% or $356K per year
- Estimated to grow by 1.6% or $307K in 2012

FY12 BUDGET OVERVIEW

- **Recommended FY12 Expense Budget = $20,582,258**
  - **Includes ATM Warrant Articles and Reserve Fund**

- **Projected FY12 Revenue Budget = $19,992,960**
  - **Balance covered by free cash and stabilization**

Town Cash Reserves

Source of funds	Prior to ATM	Post ATM
Stabilization	$632,656	$700,077
Certified Free Cash	$982,421	$590,900
Small Trust Funds	$99,288	$99,288
Total	$1,714,365	$1,390,265

Debt and Other Long Term Liabilities

1. Debt
2. Pension Liability
3. Retiree Healthcare

Debt and Other Long Term Liabilities

- Projected $6.8M debt outstanding at 6/30/2011
- $3M proportionate share of ABRS Debt
- Funding provided for schools, library, land acquisition, and other
- Annual debt service ~ 7% Budget
  - $1.4 million in 2012 budget
- Amortization schedule retires 89% of debt in next 10 years and 100% in 14 years

Pension Liability

- **Defined benefit plan**
  - **Estimated pension liability is $10.5M**
  - **Assets are $5.7M**
  - **Unfunded liability of $4.8M**

- **Teachers are covered in a separate retirement plan ("MTRS")**

Retiree Health Care

- In 2004, GASB required all public sector entities to quantify and report the estimated cost (in today's dollars) for lifetime healthcare benefits already earned by current employees and retirees.
- Town liability based on an actuarial analysis was $7.3M in fiscal 2009.
- Warrant article #13 requests $9,500 for an updated report as mandated by GASB.
- Liability impacted by rising healthcare costs and "Plan Design"
- Boxborough pays for retiree benefits on a "pay-as-you-go" basis.

Contracts

- Salary and Benefits represents 50% of budget
- 13 contracts covering Boxborough
  - 4 collective bargaining contracts (3 year term)
    - Police, Fire, Dispatch, Blanchard
    - Expires at end of FY2012
  - 9 individual contracts (terms vary)
    - Department heads, other
- Contracts are negotiated by BoS, School Committee and Library Trustees
- Contracts are available on the Town web site

Capital Plan

- Second year of Capital plan
- The Capital plan allows the Town to determine future needs and plan accordingly
  - Town moved funds to stabilization this year at request of FinCom
- Capital Plan does include items that are in the operating budget
  - i.e. Police car
- Capital Plan does include items that would not normally be called Capital
  - i.e. Exterior painting

SUMMARY & CONCLUSIONS

- **Positives:**
  - **Budget growth 1.6%**
  - **AAA bond rating from S&P**

- **Concerns:**
  - **Escalating fixed costs of salaries and benefits**
  - **Population growth and residential development flat**
  - **Fluctuating Free Cash balance**
  - **Local receipts and state aid continue to decrease**

THANK YOU

MINUTEMAN
CAREER & TECHNICAL HIGH SCHOOL

Boxborough Annual Town Meeting

May 9, 2011

Mission Statement

Minuteman collaborates with parents, communities, and business leaders to serve a diverse student body with multiple learning styles. Through a challenging, integrated curriculum our students develop the academic, vocational, and technical skills necessary to be productive members of a global community. We value life-long learning that fosters personal and professional development in a safe and respectful environment.

Minuteman is committed to preparing all students for success.

MINUTEMAN
CAREER & TECHNICAL HIGH SCHOOL

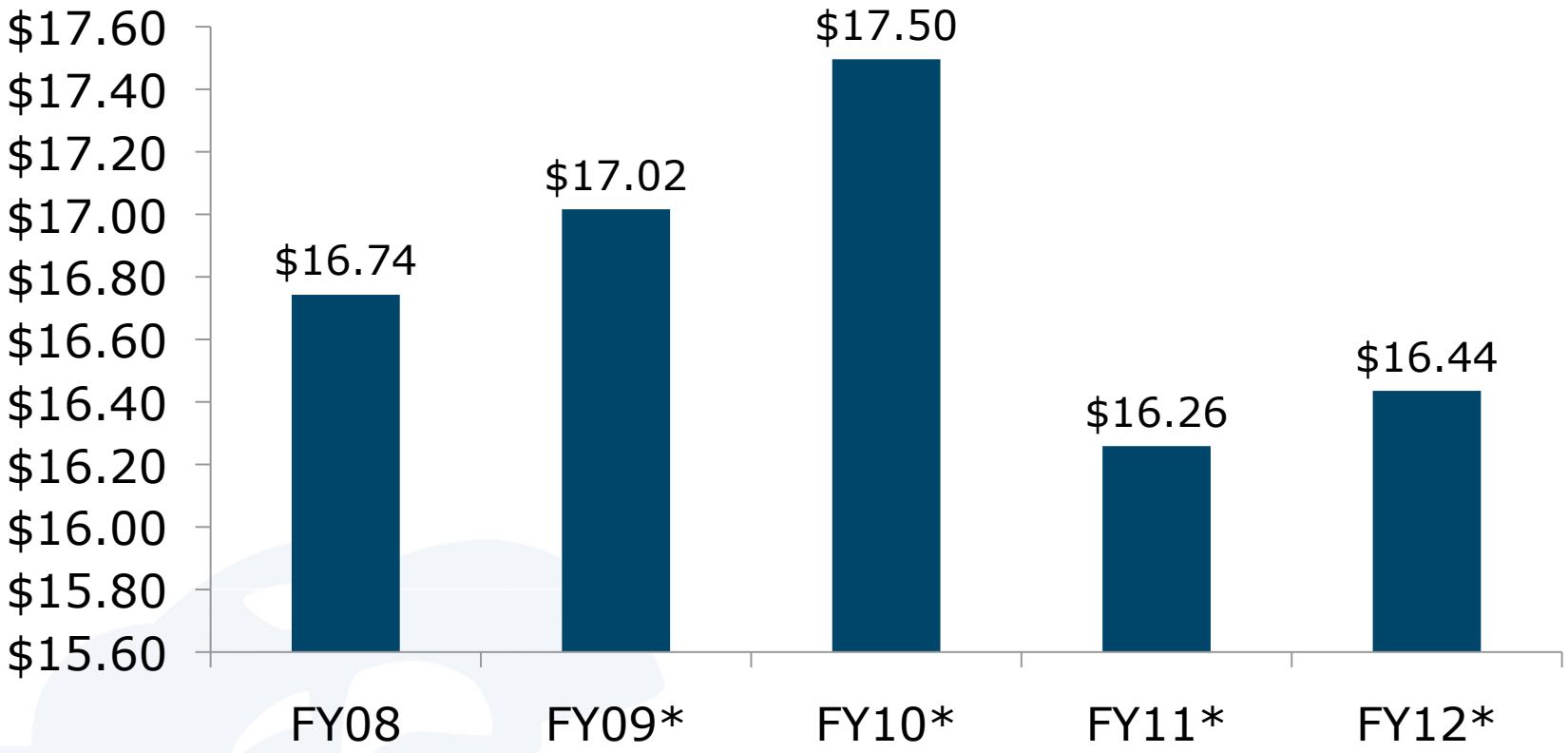
Proposed Reductions

Level Service Budget	**$17,107,462**
Administration	$-122,189
Other Support Positions	$-149,044
Teacher Reductions	$-255,727
Program(s) Elimination	$- 145,030
Proposed Net Reductions	**$-671,989**
FY12 Budget	**$16,435,473**

1.08% Increase from FY2011 approved budget

MINUTEMAN
CAREER & TECHNICAL HIGH SCHOOL

5-Year Historical Budget



**Note the Middle School Tech Programs are not included after FY08.*

MINUTEMAN CAREER & TECHNICAL HIGH SCHOOL

Estimated Revenue Plan FY2012

	FY2010	FY2011	FY2012	
Assessments	$9,974,116	$8,680,359	$9,178,551	$498,192
Chapter 70 Aid	$2,237,668	$2,107,088	$2,066,921	($40,167)
Regional Transportation	$475,657	$495,000	$495,000	$0
Prior Year Tuition	$3,457,303	$2,888,748	$3,035,000	$146,252
Current Year Tuition	$888,363	$1,541,984	$1,300,000	($241,984)
Member Post Grad Tuition	$ 0	$ 0	$75,000	$75,000
Excess & Deficiency	$352,894	$395,000	$200,000	($195,000)

MINUTEMAN
CAREER & TECHNICAL HIGH SCHOOL

We Know What We Do Not Know

- Governors Budget Survival
- Legislative Process Impacts
- No FY12 MRGF (FY11 = 3.5% AVG)
- 5% Reduction in Chap 70 $
- Level Funded Transportation $
- Inflation Rate of 1.8%
- Energy Costs Escalating
- Teacher Contract under Negotiations
- Student Enrollment Increases Again

MINUTEMAN
CAREER & TECHNICAL HIGH SCHOOL

Boxborough Estimated Assessment

FISCAL YEAR	TOTAL FTE STUDENTS	BASE ASSESSMENT	MS PROJECT	CHOICE	TOTAL	(+/-)	PER PUPIL EXPENDITURE	(+/-)
2012	**16**	**$329,697**	**$ 38,209**		**$367,906**	**6.66%**	**$20,606**	**-6.40%**
2011	14	$308,216	$ 36,708		$344,924	-4.64%	$22,015	-12.72%
2010	13	$327,910	$ 33,794	$6,519	$361,704	20.89%	$25,224	16.99%
2009	12	$258,719	$ 40,483		$299,202	5.46%	$21,560	2.96%
2008	12	$251,275	$ 32,438		$283,713		$20,940	

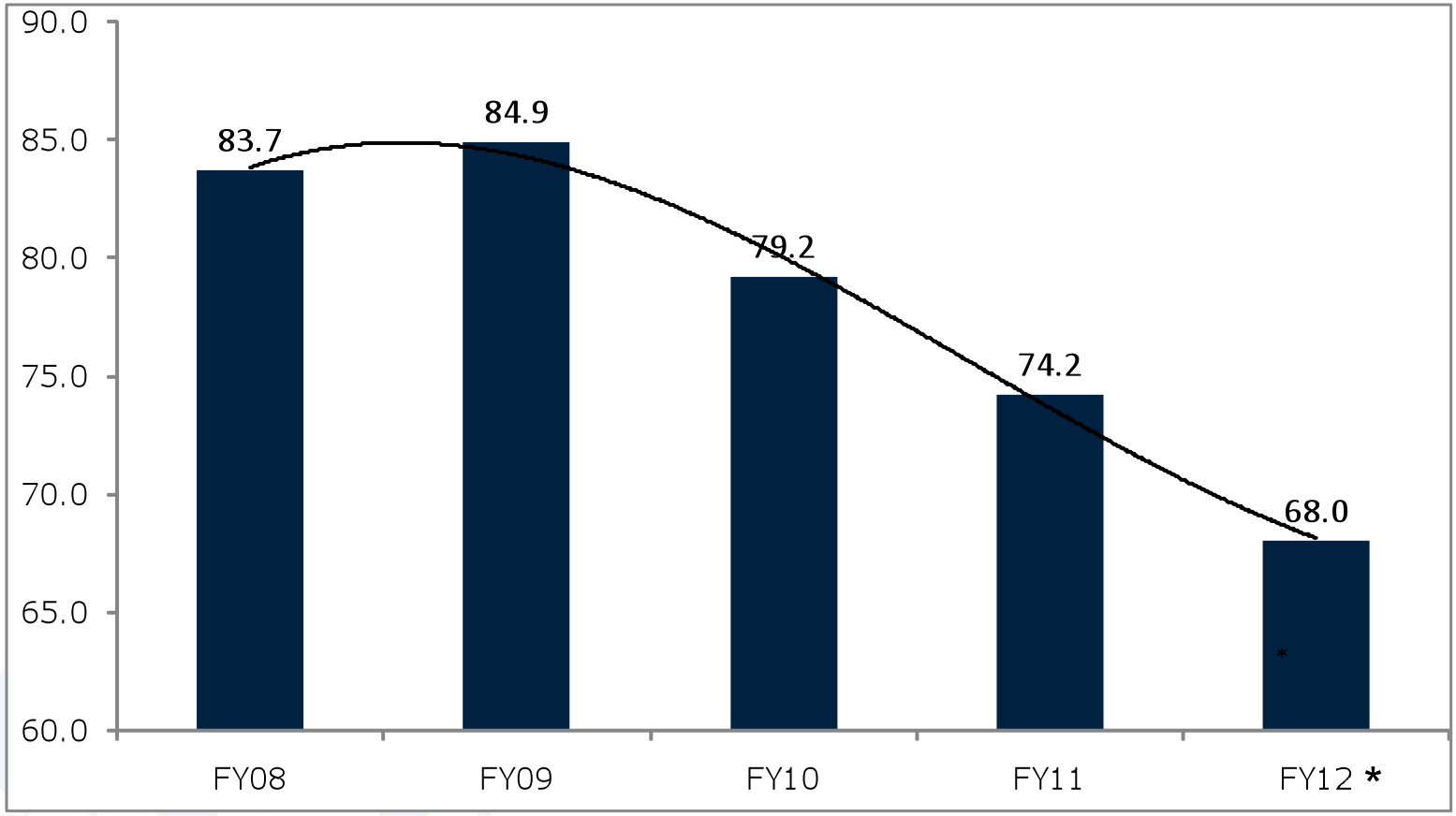
**Actual assessment amount based on state required minimum and Regional Agreement .*
*** Amount based on preliminary assessment without final state figures and appropriated at Town Meeting.*

MINUTEMAN
CAREER & TECHNICAL HIGH SCHOOL

Proof Positive of Right Sizing

MINUTEMAN
CAREER & TECHNICAL HIGH SCHOOL

Trend: Minuteman Staffing



*Reduction in work force projected

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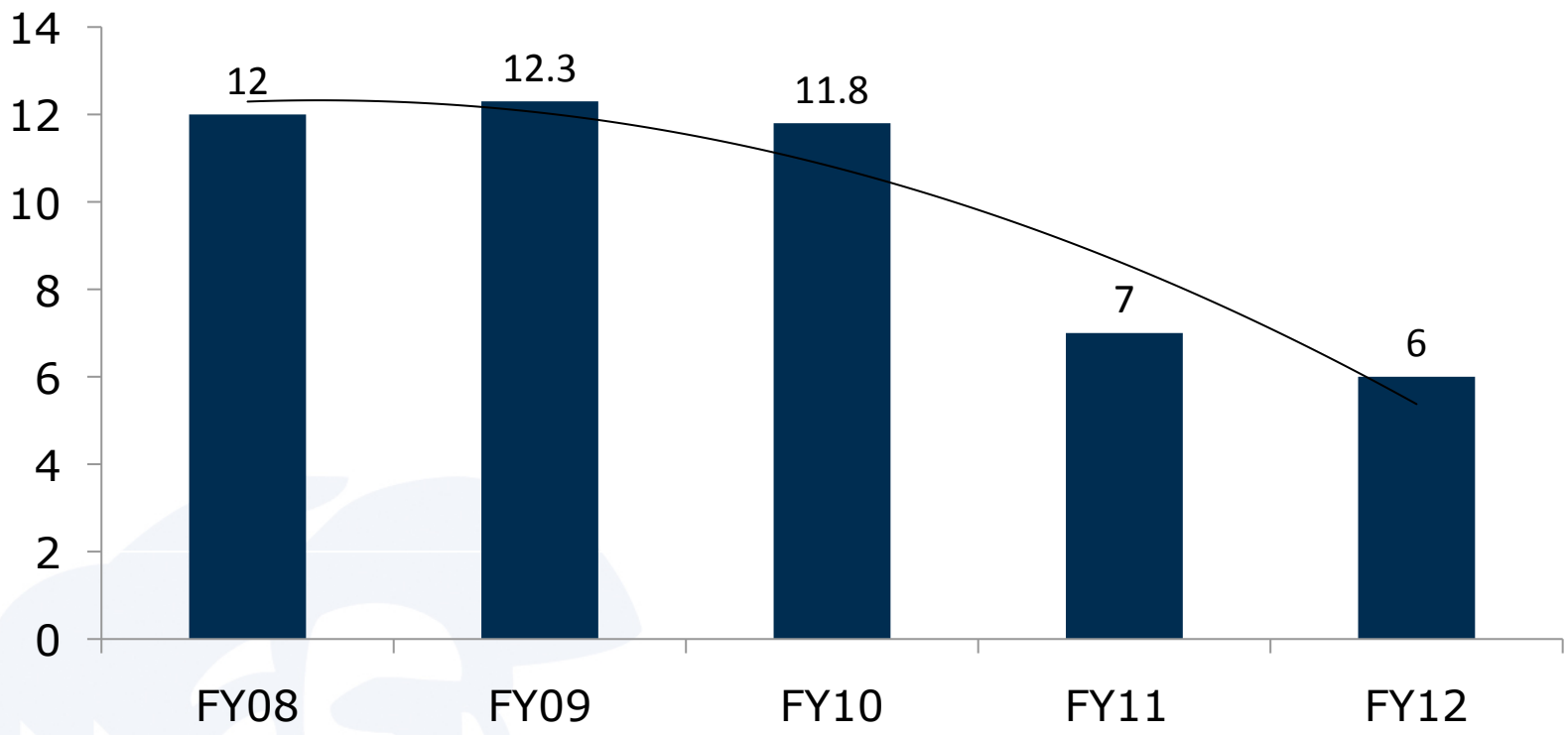
Minuteman Administrators (FTE)



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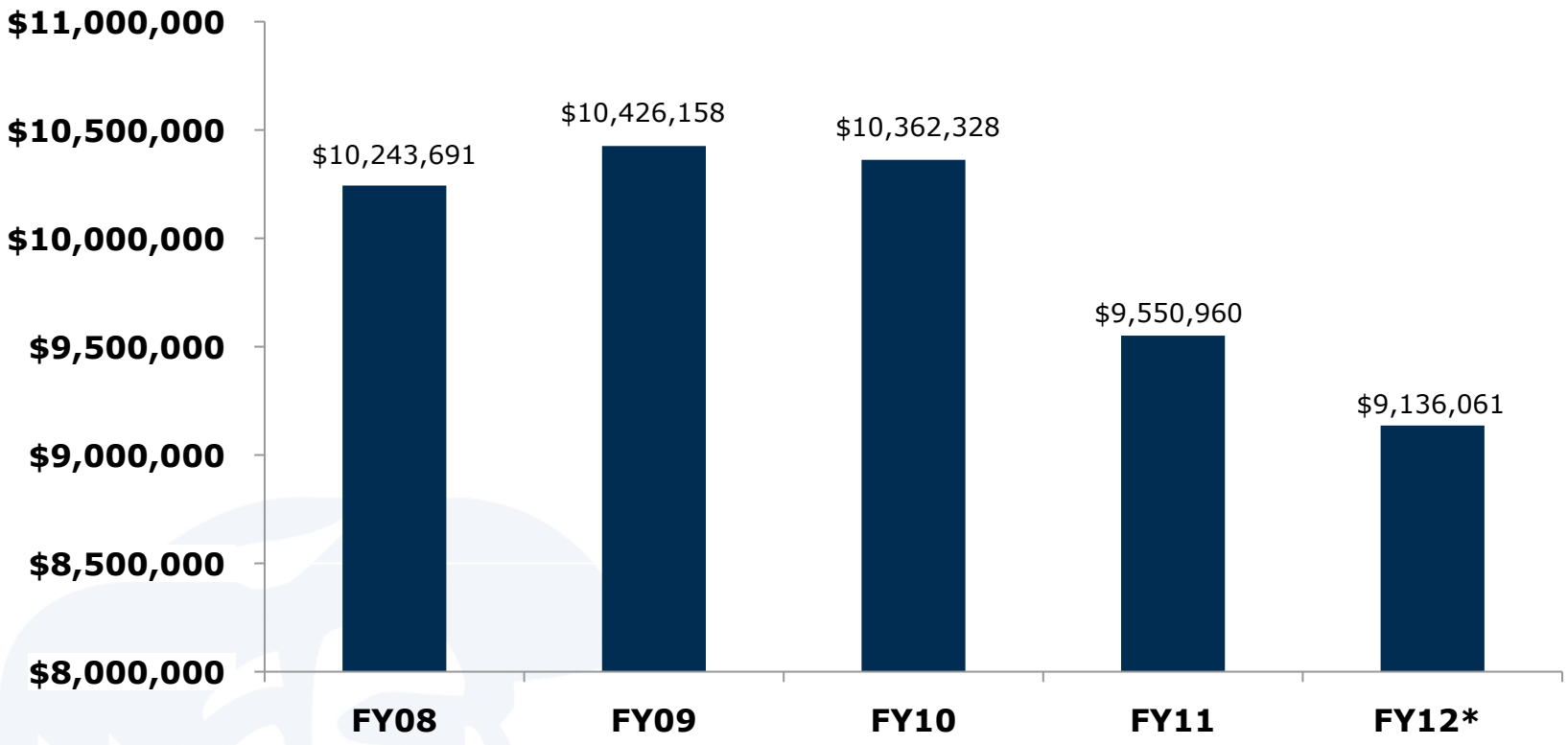
Actual Dollars of Total Salary



NOTE:
**FY12 - Projected*

MINUTEMAN
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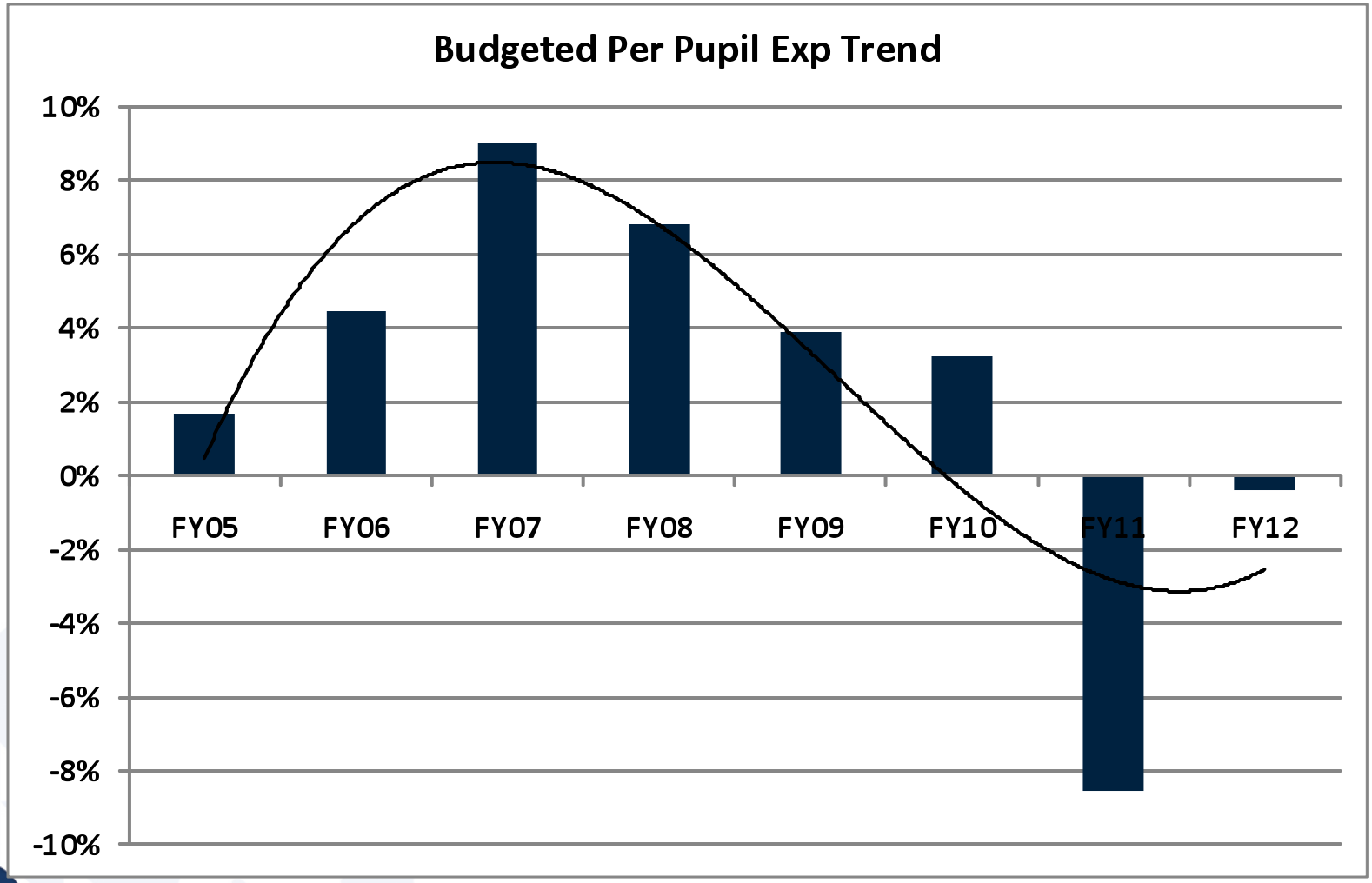
Trend: Per Pupil Expenditure



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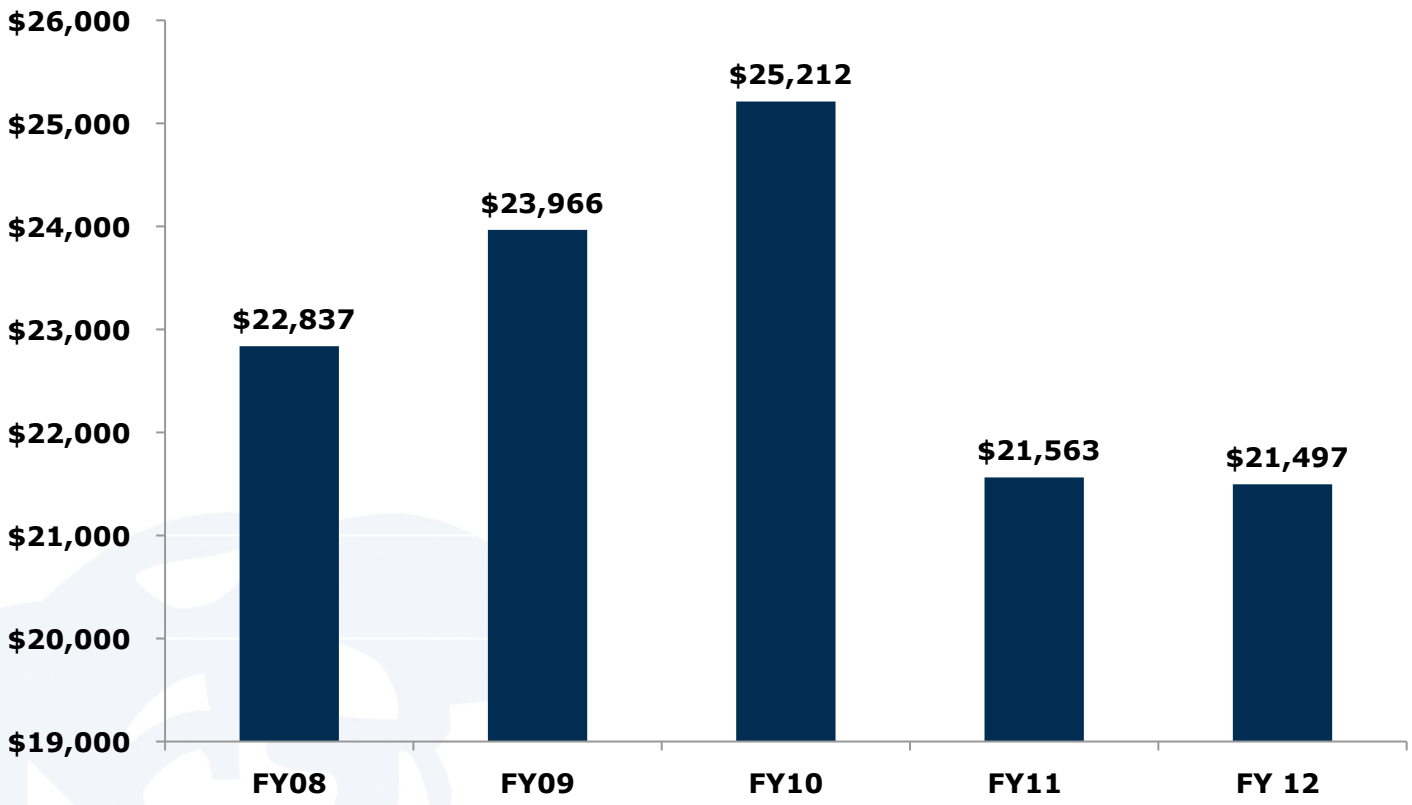
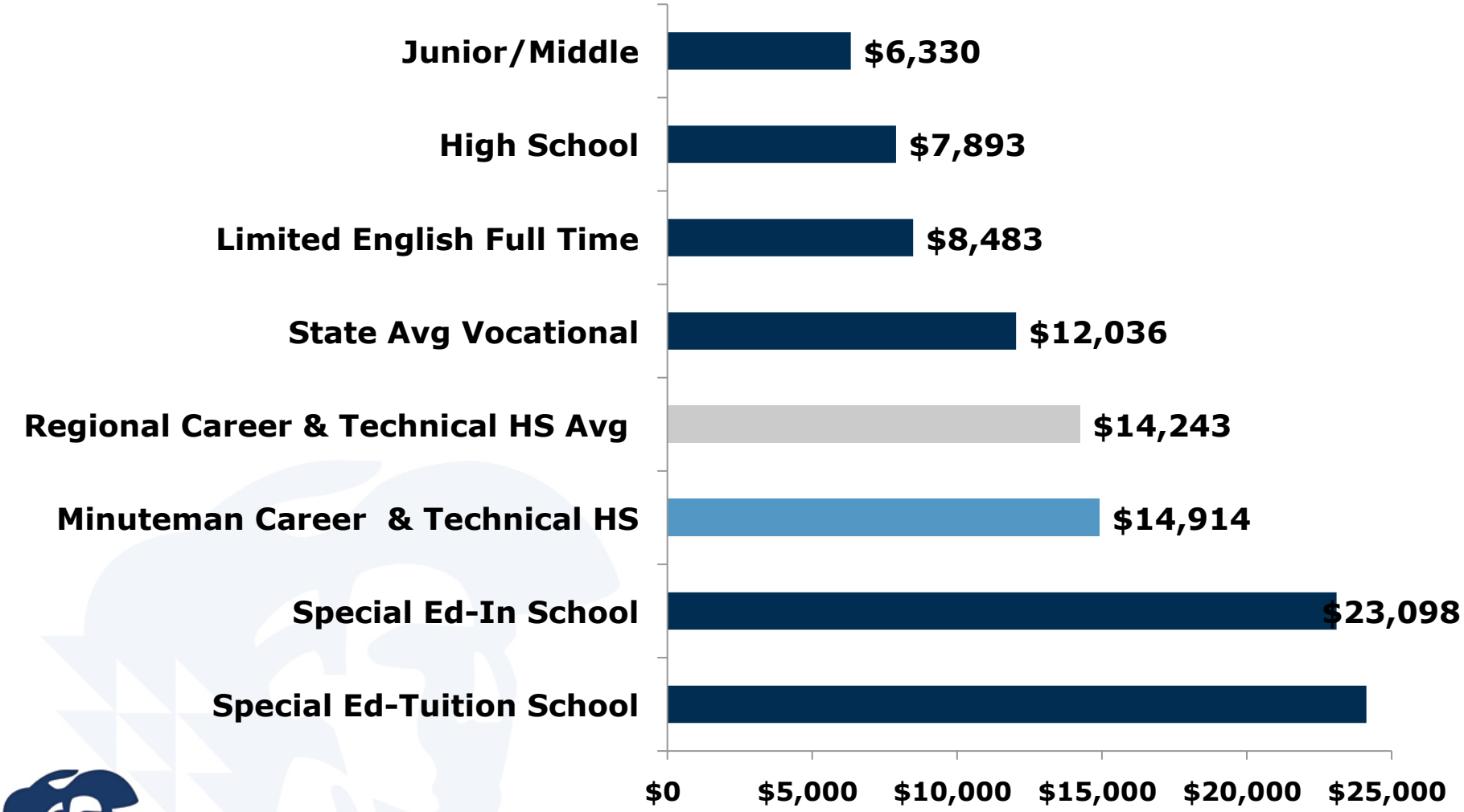
Minuteman Per Pupil Expenditure



FY 08, 09, 10 Audited. FY11 and 12 are budgeted amounts.

MINUTEMAN CAREER & TECHNICAL HIGH SCHOOL

FY11 Per Pupil Foundation Rates



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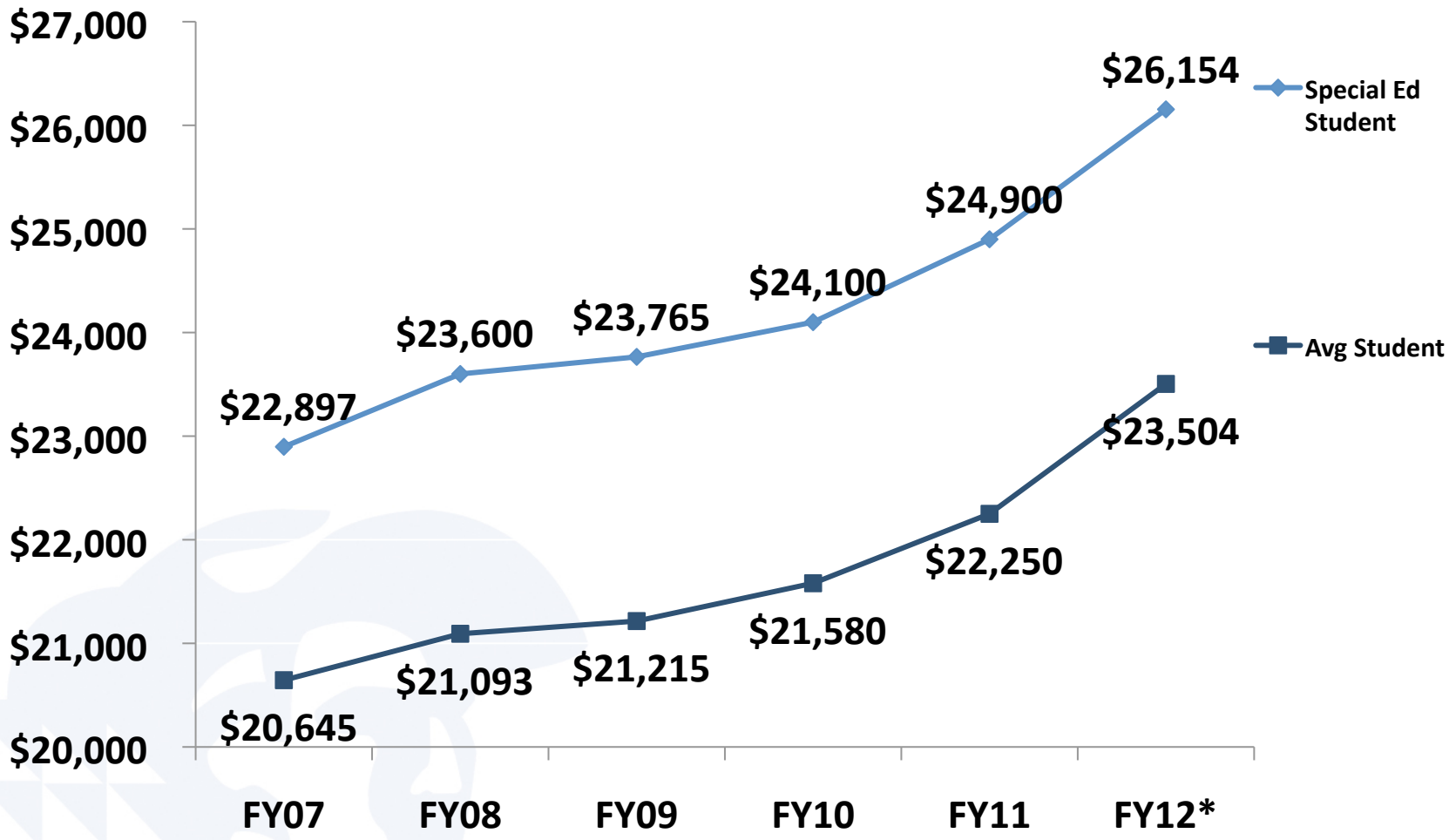
CAREER & TECHNICAL HIGH SCHOOL

Trend: Non-Member Costs



MINUTEMAN CAREER & TECHNICAL HIGH SCHOOL

**FY12 maximum allowable tuition has not be determined by the DESE as of yet. It is expected in Spring 2011.*
% Special Ed Students range 40-47%

Enrollment Trending Upward

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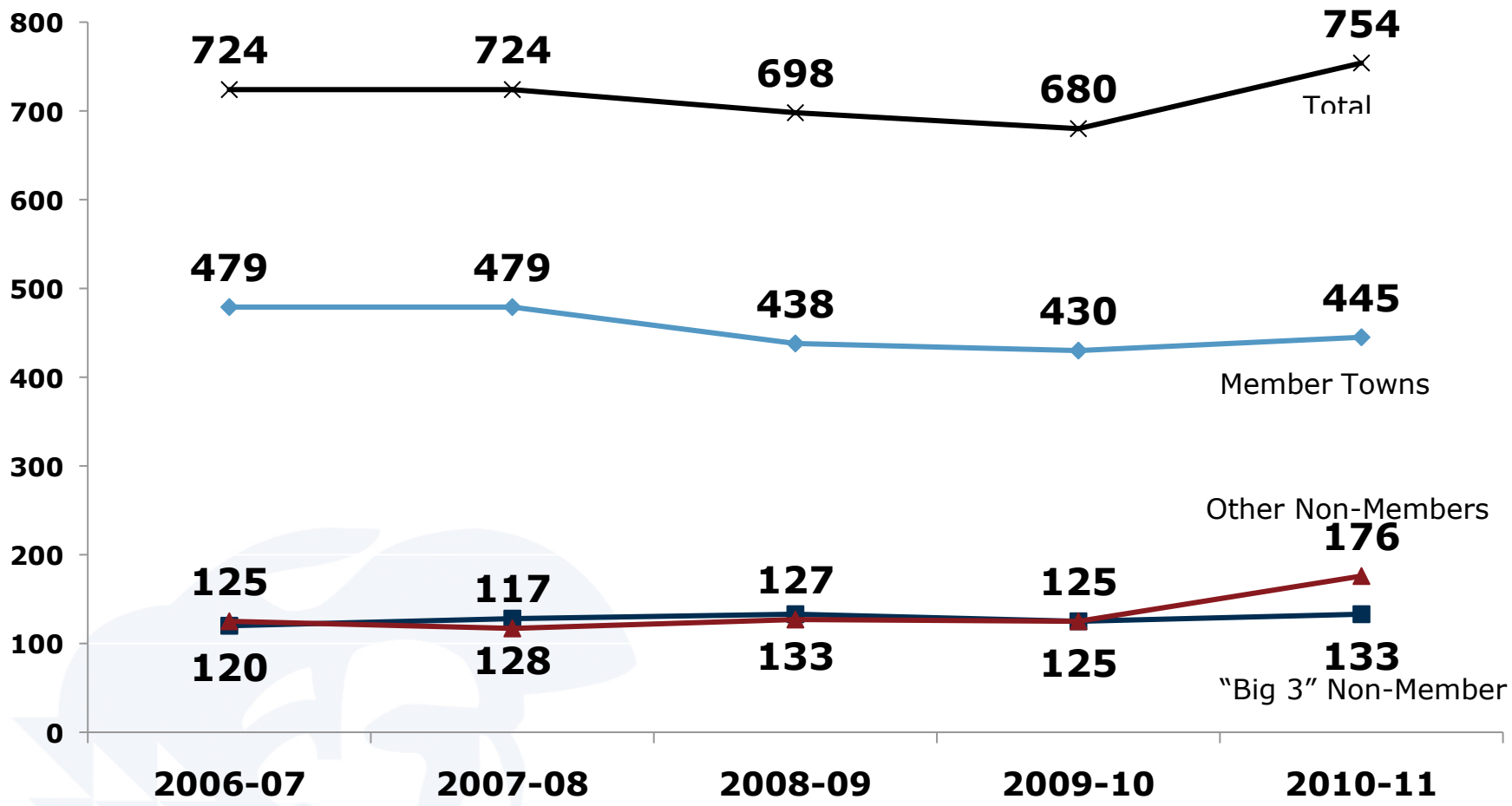
CAREER & TECHNICAL HIGH SCHOOL

Total Enrollment



Big 3 represent: Waltham, Watertown, and Medford

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CAREER & TECHNICAL HIGH SCHOOL

Enrollment Increase Detail

	FY10	FY11	Diff %
Member Freshmen	70	103	47%
Non-Member Freshmen	43	81	88%
Total	113	184	**63%**
Member Gr 9-12 enrollment	364	367	1%
Non-Member Gr 9-12 enrollment	219	250	14%
Total	583	617	**6%**
Member Post-Graduates	52	61	17%
Non-Member Post-Graduates	28	59	111%
Total PG students	80	120	**50%**
Half Day Students	17	17	0%
Total Head Count	680	754	**11%**
Freshmen (2013) Retention Rate			**106%**

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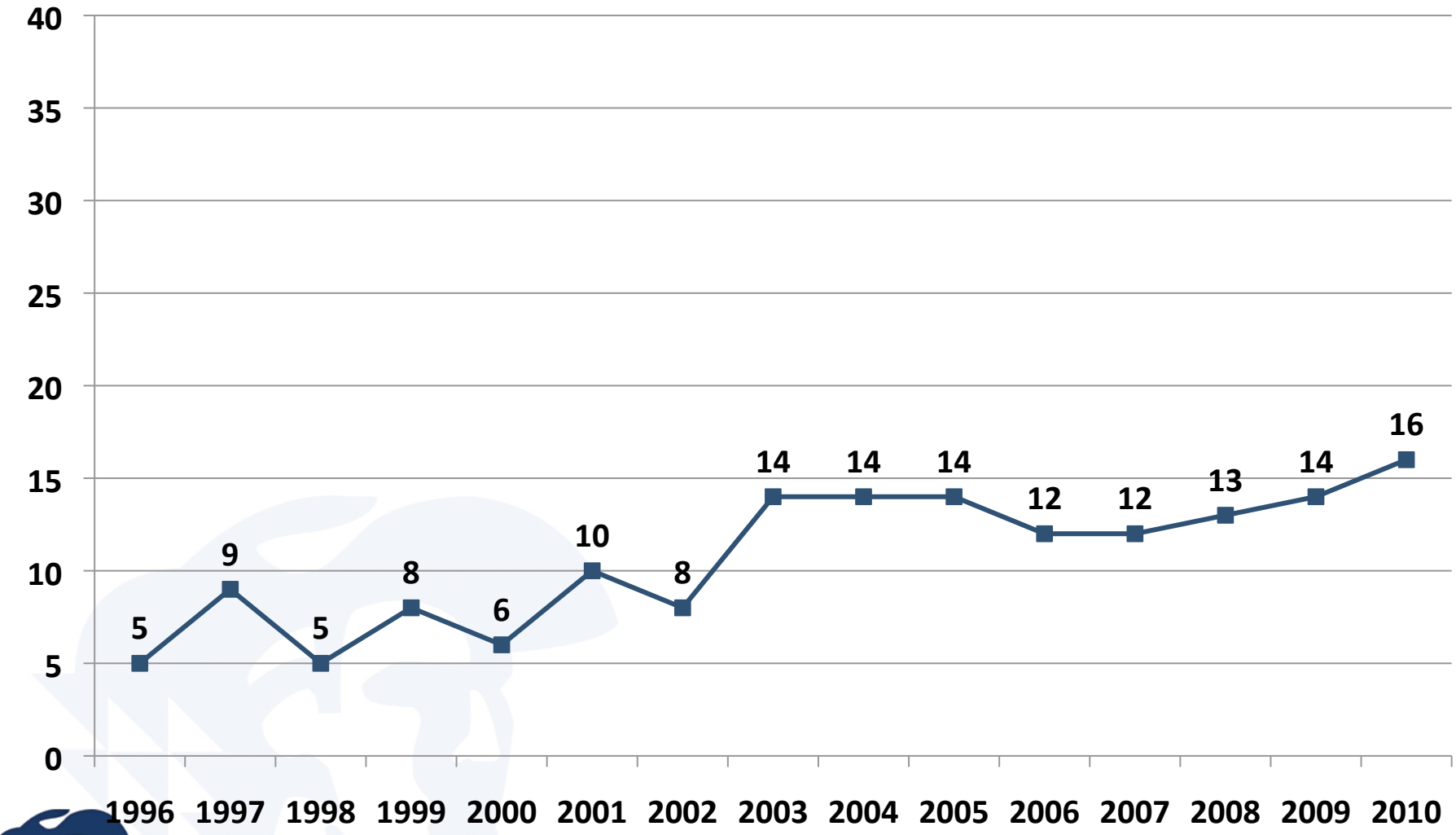
CAREER & TECHNICAL HIGH SCHOOL

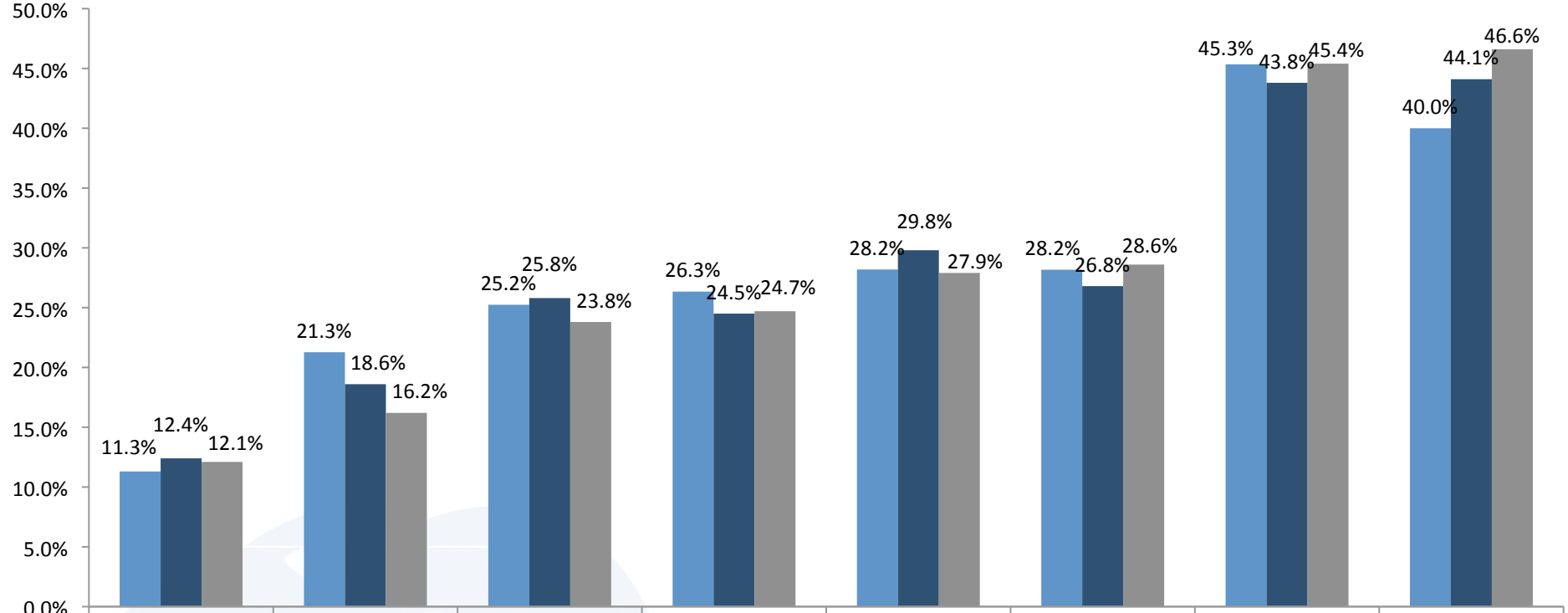
Historical Boxborough Enrollment



**Figures include Grades 9-12, PG and Half Day students*

MINUTEMAN CAREER & TECHNICAL HIGH SCHOOL

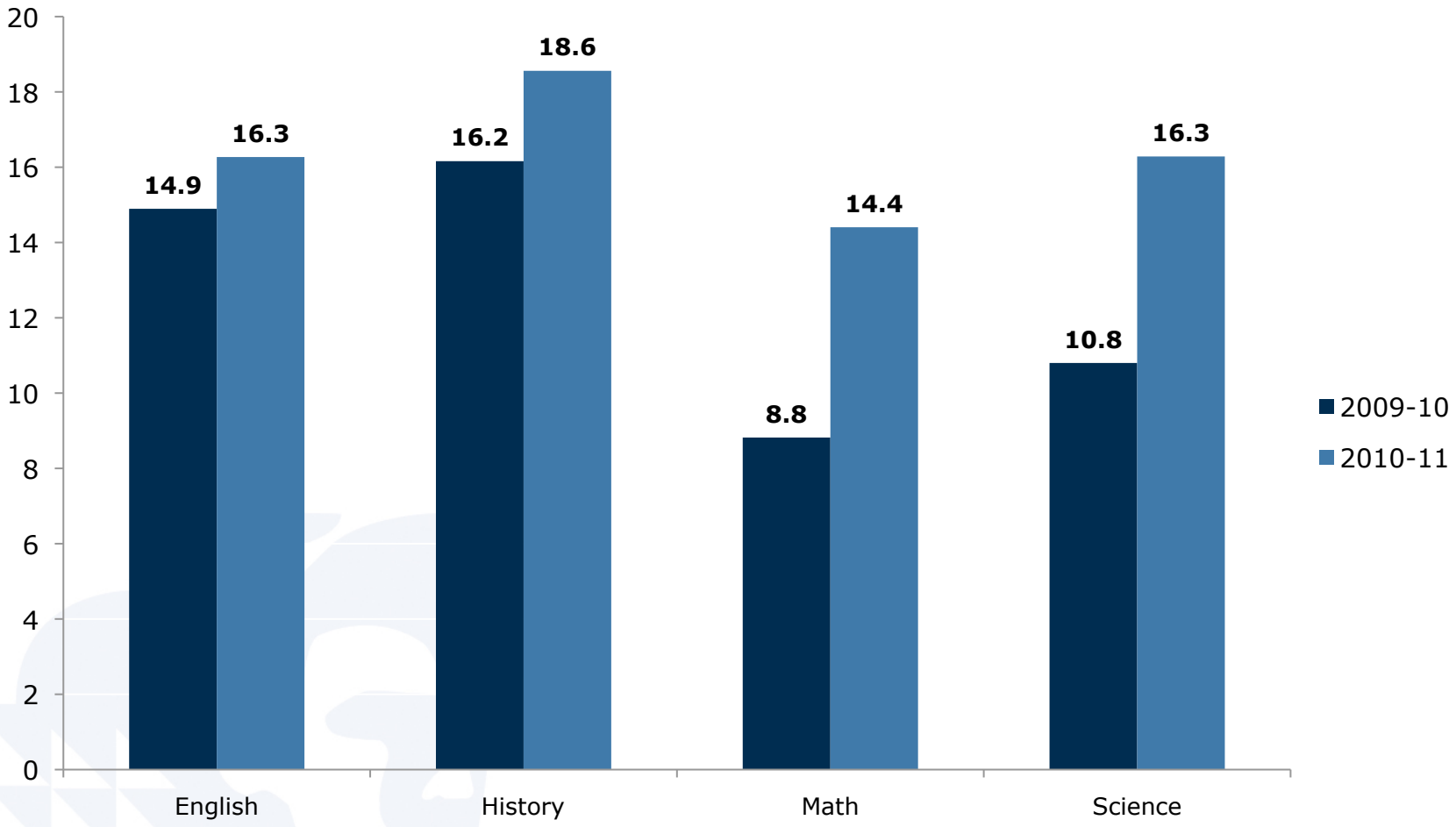
Trend: SPED Enrollment



	Acton-Boxborough	Essex Agricultural	Blue Hills	Shawsheen	Assabet Valley	Tri County	Keefe Tech	Minuteman
2008	11.3%	21.3%	25.2%	26.3%	28.2%	28.2%	45.3%	40.0%
2009	12.4%	18.6%	25.8%	24.5%	29.8%	26.8%	43.8%	44.1%
2010	12.1%	16.2%	23.8%	24.7%	27.9%	28.6%	45.4%	46.6%

MINUTEMAN CAREER & TECHNICAL HIGH SCHOOL

Average Academic Class Size



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CAREER & TECHNICAL HIGH SCHOOL

Thank You!

Administrative Structure Options: Regionalization and Job Sharing

Boxborough School Committee
May 10, 2011

Articles 6 & 7: Sense of the Meeting

- Article 6: Sense of the meeting – Should the BSC continue exploring job sharing opportunities?

- Article 7: Sense of the meeting – Should the BSC continue exploring K-12 regionalization with Acton?

Boxborough SC Engaged in Process to Assess Administrative Structure

- We have declining enrollment, empty seats, empty classrooms
- Cost of educating our children continues to increase
- Proactively evaluating options to address this to continue with best education possible for Boxborough children

Jan 2010 Committee Recommended Exploring:

- Maintenance of current Superintendent/ Curriculum Director – Principal – SPED Director model
- Job sharing
- Regionalization with Acton

What is “Current” Structure?

- Superintendent position combined with Curriculum Director position
- Maintains a full-time Principal
- Maintains other leadership positions
  - Business Manager
  - SPED Director/Director of Pupil Services

What are Advantages of “Current” Structure?

- Already proven
- Manageable in terms of time and scope of positions/roles
- Maintains the educational leadership focus of the Superintendent
- Maintains two people (this person and the principal) focused on classroom content

What are Disadvantages of “Current” Structure?

- Separates curriculum role from Principal
- May create unreasonably large evaluation role for the Principal
- Expensive

What is Job Sharing (also called Union)?

- Shares selected jobs across two or more school districts
- Typical shared positions include:
  - Superintendent
  - Business Manager
  - SPED Director
  - Food Service Director
  - IT Director
  - Administrative Staff
- Principal is not a shared position

How is Job Sharing Established?

- Requires a vote of the School Committee
- Interested towns need to work out a mutual agreement
- Maintains local school committees but also establishes a “union” school committee to oversee union positions only

What are Advantages of Job Sharing?

- Opportunity to share costs of system-wide staff positions
- Town maintains full control of school district
  - Separate school committees for each town
  - Local school committee oversees school district
  - No cross over of policies, curriculum, etc.
- Blanchard would have its own full-time Principal

What are Disadvantages of Job Sharing?

- Less face-to-face time with Superintendent
- Requires state approval to dissolve
- Does not address class size

What is Regionalization?

- A Regional School District is formed when two or more towns enter into a contract
- Creates a separate legal entity (the “Region”)
- Consolidates resources to educate the children of member towns
- Each member town has defined rights and responsibilities under the regional agreement
- One regional school committee

An Example – ABRSD

- Currently serves grades 7-12 for Acton and Boxborough
- Each town assessed a fee based on 3-year average enrollment
- Regional School Committee =
  - Acton Public School Committee Members (6)
  - Boxborough School Committee members (3)
  - Voting weighted, based on formula in Regional Agreement

How is a Region Expanded?

Regional School Committee can vote to establish a Regional Study Committee (comprised of representatives from each town)

OR

Each member town, by vote at town meeting, decides to establish a regional planning committee; this committee is appointed by each town's moderator

What are Advantages of Regionalization?

- Flexibility regarding enrollment
- Transportation reimbursement
- State reporting & grant applications done once
- Potential efficiencies in Central Office
- Management depth and more flexibility in staffing
- Potential for cost savings in larger operation
- More collaboration possibilities with larger staff

What are Disadvantages of Regionalization?

- Concern regarding loss of local control
- Due to size differences, Boxborough influence on District decisions could be challenging (weighted voting)
- School spending, one of the largest town budget drivers, would become an assessment
- Long process to implement
- Potential change in services
- Difficult to unwind

Three Model Comparison

Criteria	Current Model	Job Sharing	Regionalization
Est Cost	$483,421	$425,122	TBD
Estimated savings	--	$58,300	TBD, cost savings possible
Impact	• None	• Less Super's time • More in-house leadership • Additional Union Schl Comm • Potential for additional job sharing in future	• Shared admin structure • Potential service change • Addresses declining enrollment • One regional Schl Comm

School Committee Voted:

- Article 6 – Continue Exploration of Job Sharing
  - 5 in favor
- Article 7 – Continue Exploration of K-12 Regionalization with Action
  - 3 in favor
  - 2 against

Sense of the Meeting

Do the citizens of Boxborough want the Board of Selectmen and the Conservation Commission to consider a trial hunting program on selected parcels of town land?

History

- Public concern expressed
  - Ticks & Lyme, Vehicle accidents, Vegetation damage
- Selectmen formed "Deer Committee"
  - Empanelled August 2009
  - Extensive Research: Experts, literature, public hearings, etc.
- Recommendations
  - Deer hunting trial
  - Target population of 8 deer per forested mi^2

How would it work?

- **Duration:** 5 year trial
- **Location(s):** Municipal land; determined by Selectmen
  Conservation land; determined by ConsCom
- **Rules:** Established by Selectmen &/or ConsCom
  - **Season:** mid Oct. – Dec. (MA regulations)
  - **Limitations:** Archery only
  - **Process:** Town registration
  - **Enforcement:** To be determined
- **Metrics:** Deer harvest & vehicle accident rates

Other Approaches Considered

- Controlled Harvest
  - Expanded Season
  - Sharpshooters
- Fencing
  - Not feasible
- Deer Birth Control
  - No approved method

Hunting Pros

- Increased recreational use of public land
- Reduced Deer Population
  - Fewer vehicle-deer accidents
  - Less crop and shrubbery damage
  - Data shows archery doesn't pose a public safety risk

Note: Will monitor deer harvest & accident rates

Hunting Cons

- Perceived incompatible uses of public land
  - Hunter/non-hunter conflict
  - Public safety concerns
  - Do **not** expect ticks or Lyme disease to decrease unless target population reached

- Reduced deer population
  - Fewer deer sightings
  - Fewer deer ➡ harder hunting

Conservation Commission Voted not to take a position

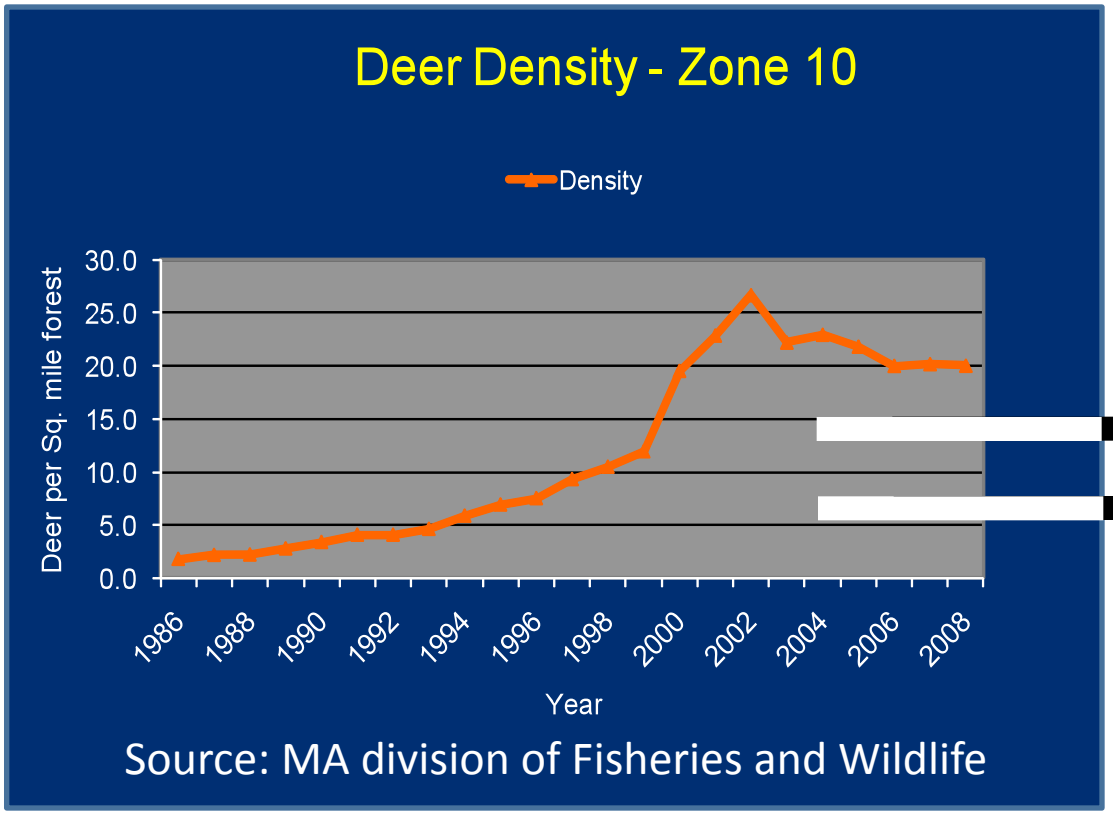
5-0

ConsCom Hunting Perspective

- Legitimate recreational activity
- Deer **not** damaging ecosystem
- Deer **not** endangered
- Issue is one of <u>personal preference</u>
- ConsCom concerned about:
  - Multi-use conflict
  - Perception that Lyme disease will be reduced

Deer Population Data

- Zone 10 – East of 495, North of 1A
  - Boxborough: State estimates 20 deer/forested mi^2



State Target

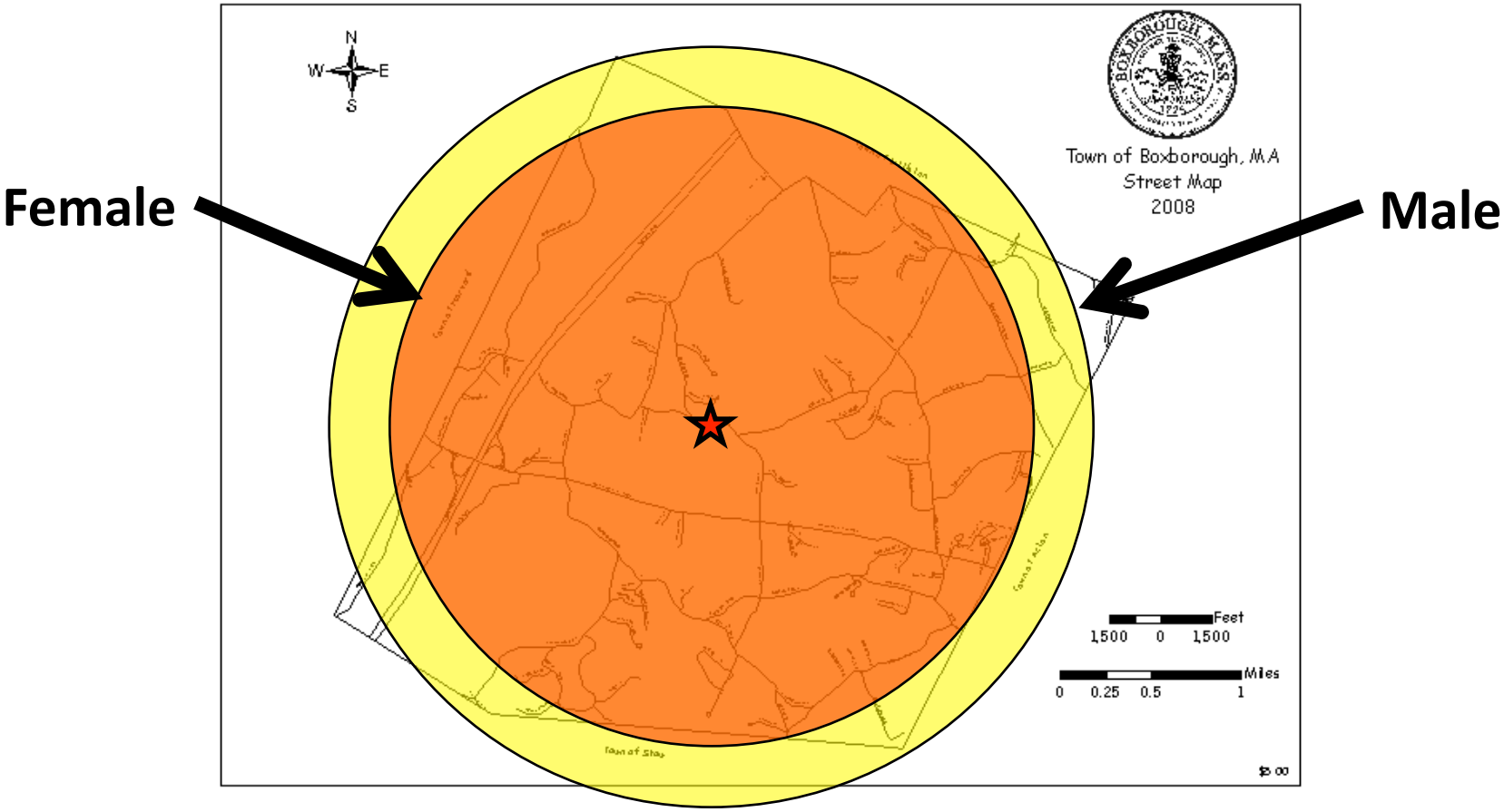
Boxborough Target

Boxborough Hunt Very Productive

- 44 deer reported killed 2008
  - Twice the “sustainable” kill rate
- Yield drops dramatically with population
  - 3-4 times longer to harvest a deer at 8 deer target
  - Less than 48 total deer if target reached

Deer Have Legs

Possible source of deer killed in center of town (1 year)



ConsCom Position

- Citizens should vote based on:
  - Preference (for/against) deer
  - Preference (for/against) recreational hunting
- If approved ConsCom will:
  - Monitor Selectmen's implementation
  - In future submit detailed "sense of the meeting"
    - Public hearings to shape proposal
    - Parcels identified, rules elucidated, etc.

10th Police Officer Financial Factors

Operating Costs

- Salary: $44,432
- Ed Incentive: $2,000
- Uniform: $1,450
- Ammunition: $200
- **Total Operating Costs: $ 48,083**

Savings

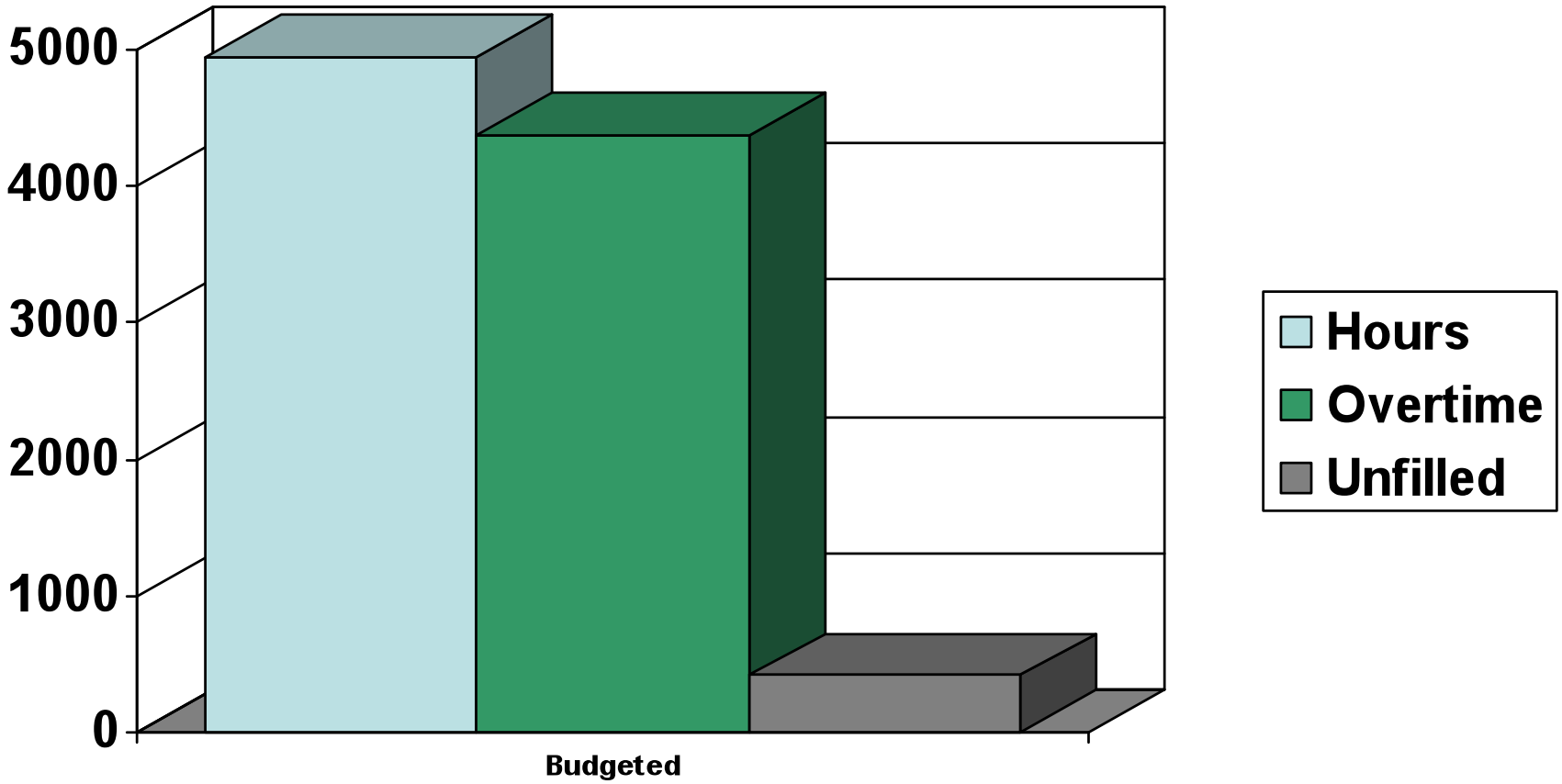
- O/T Reduction: $57,840
- Lock-up savings: $5,072
- **Total savings: $62,912**

Net Operating Savings: $62,912 - $48,082 = $14,829

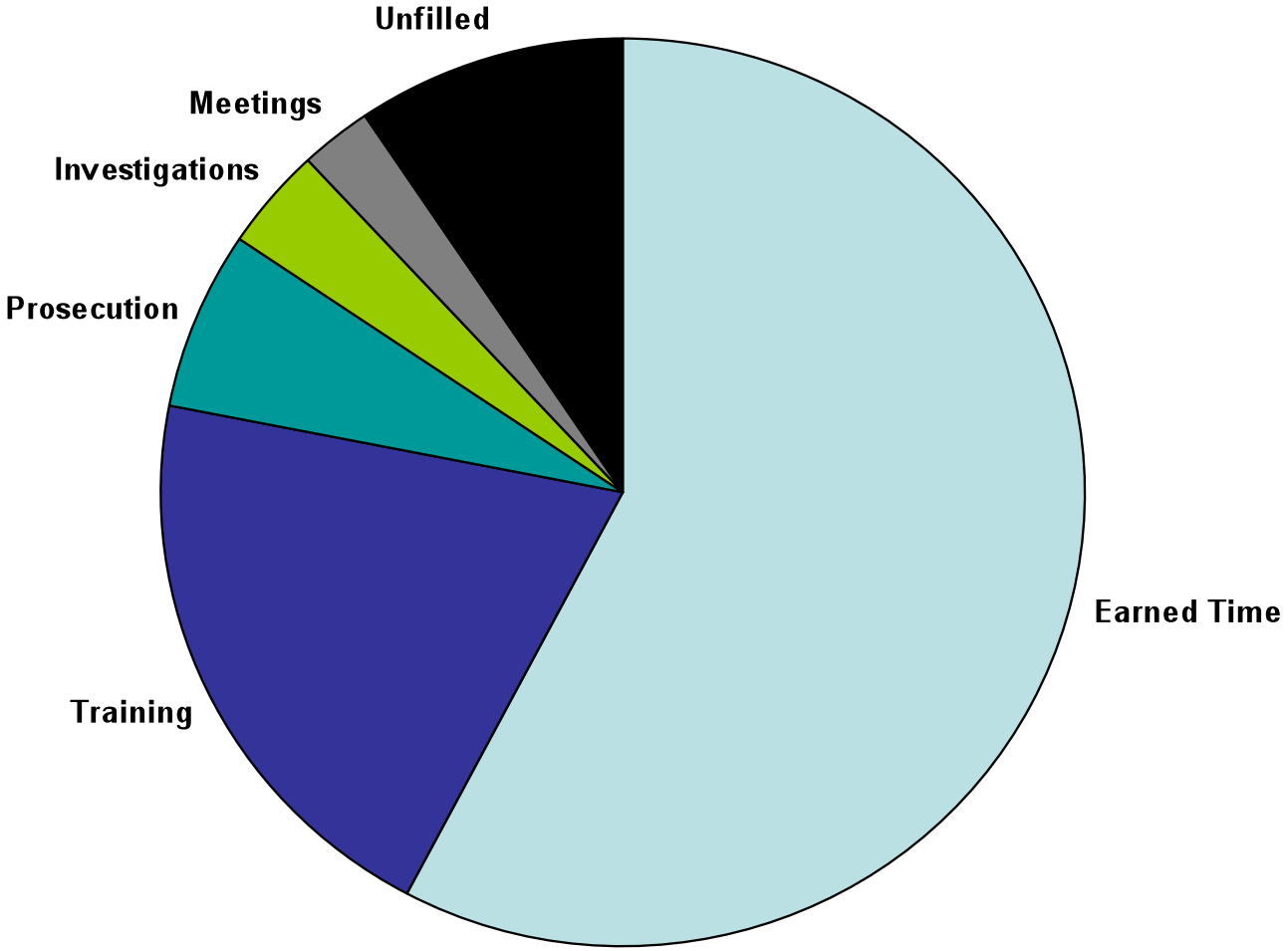
w/o Benefits

Maximum Benefits: $18,239

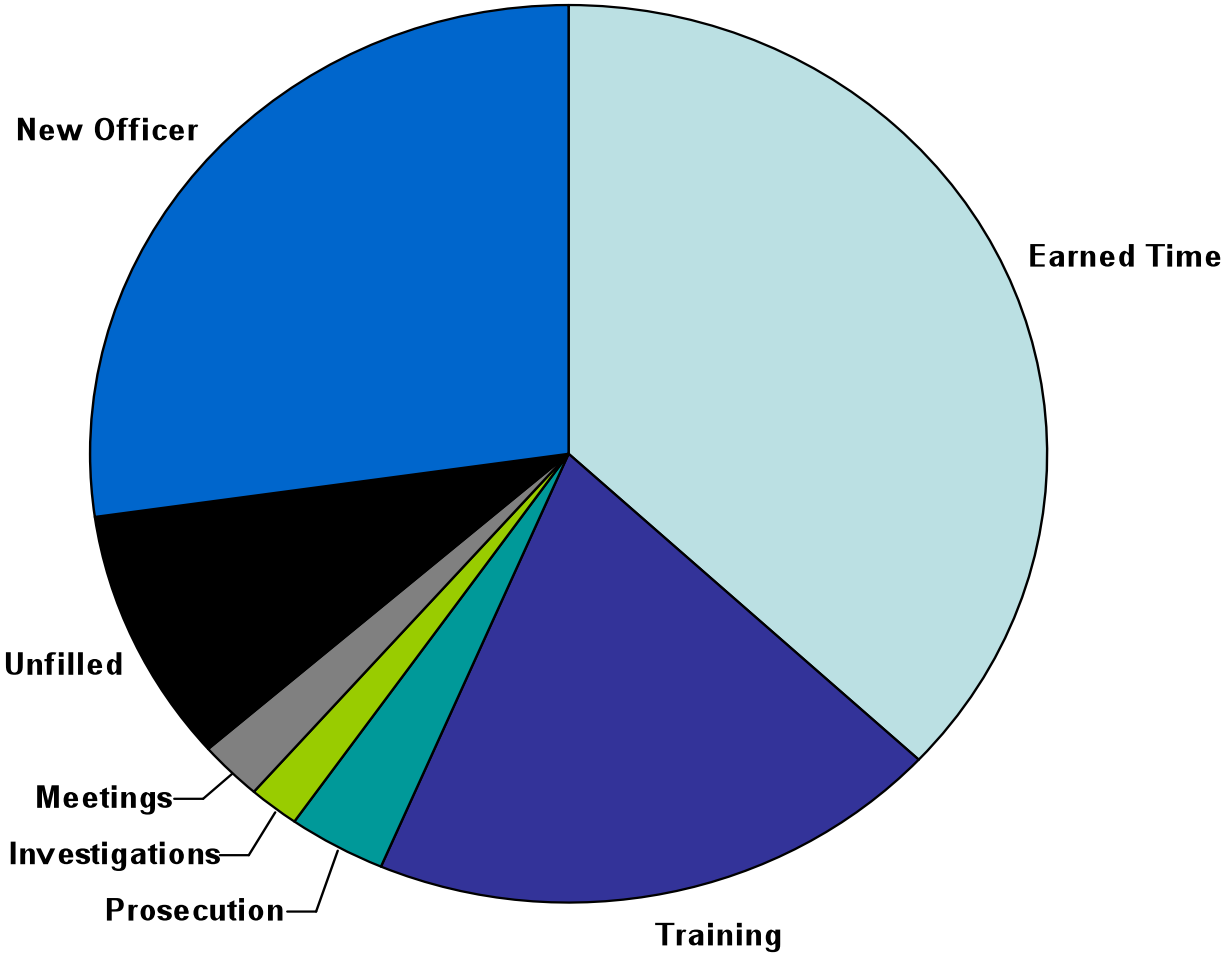
Worst cast (maximum benefits) cost: $18,239 - $14,829 = $3,409


5000
4000
3000
2000
1000
0
Budgeted
Hours
Overtime
Unfilled

Overtime = Shift coverage
What causes overtime?



New Officer to cover overtime



Why do we staff shifts with 2 Officers?

Preferred Response

- Domestic Disturbances
- Arrests
- Accidents
- 911 Calls

Safety and Security

- Available Units
- Officer Back up
- 2010 – 160 P.O. Deaths

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Article 25 Capital Improvements: Sargent Memorial Library Painting

2011 Annual Town Meeting

To see if the Town will vote to raise and appropriate, transfer from available funds, borrow, or otherwise provide the sum of Twenty-Five Thousand ($25,000), more or less, for the purpose of power washing and painting the exterior of the Sargent Memorial Library; or take any other action relative thereto.

Building Information

- The building was last painted in Fall of 2004.
- The paint has peeled in areas; it has mildew and is in need of new caulk in joints.
- Three bids have been received of $16,000, $18,000 and $21,508.

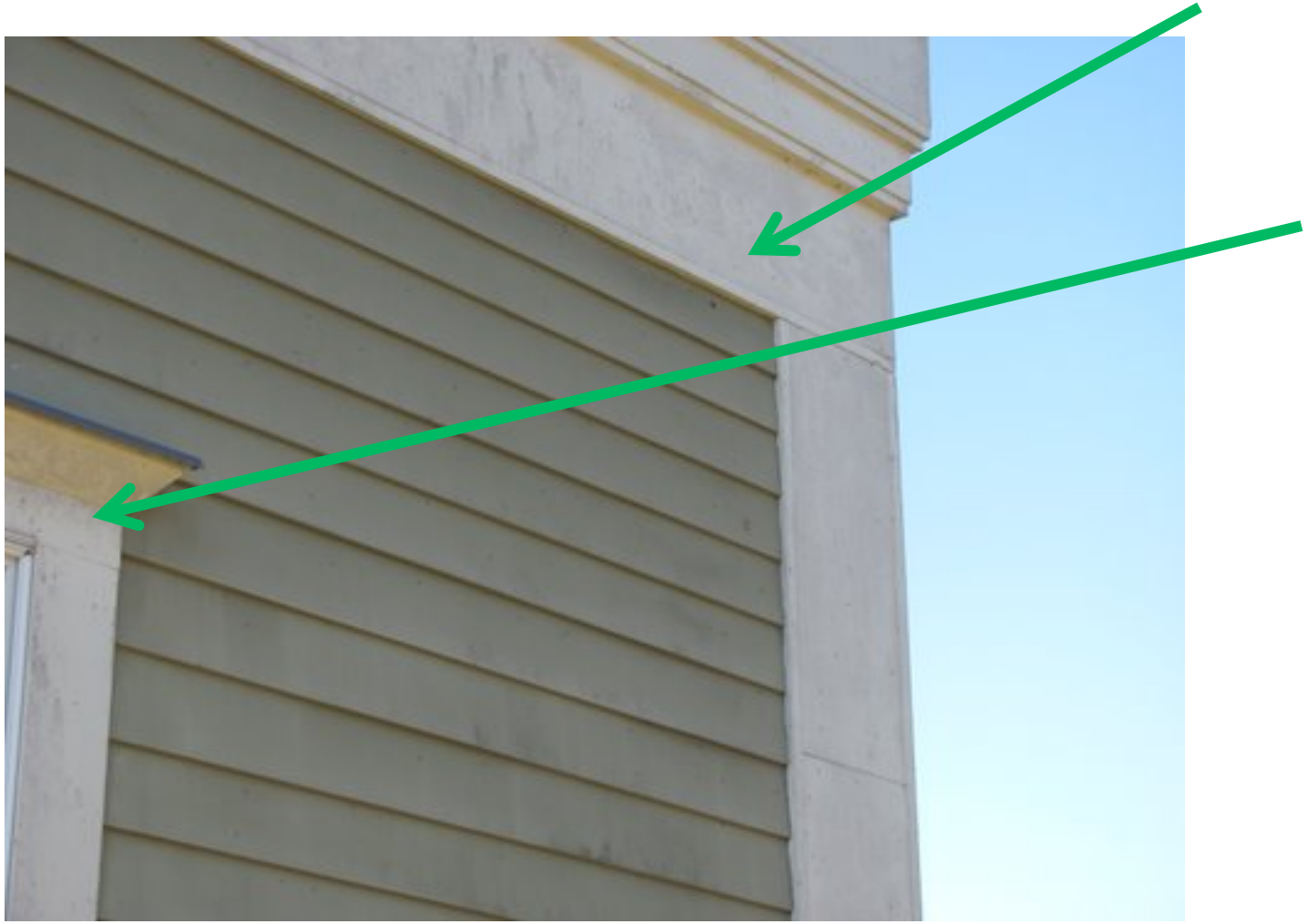
Peeling paint/mildew

Peeling paint next to front door

Caulk is needed

Power washing needed

Trim needs painting/washing



Please Vote Yes

- The library board unanimously supports this expenditure.
- Please vote in favor of this article to maintain our Library and keep it a source of Town pride.
- A two-thirds vote at Town Meeting is required.