

Carver Public Schools

FY24 Operating Budget

Overview of Expense and Revenue Projections

As of February 27, 2023

Budget calendar

- **October:** Build FY in financial system & provide annual training
- **November:** Solicit budget input from staff
- **November:** Capital plan
- **December:** Draft preliminary budget with leadership team
- **January:** Initial budget projections with School Committee
- **January:** Set revenue projections with town
- **February:** Finalize key cost centers & cross check with leadership team
- **February:** Present operating budget for School Committee
- ***February 27:*** *Public budget hearing and School Committee budget vote*
- **April:** Annual Town Meeting: Vote Operating Budget & Capital Proposals
- **July:** Start of the new fiscal year

Presentation Summary:

- **FY24 Budget Priorities**
- **Overview of Operating Expenses**
 - Cost Center Summary by DESE Chart of Accounts for Massachusetts Schools
 - Analysis of Operating Expenses
- **Overview of Revenue**
 - Chapter 70 & Local Contributions
 - Annual Revenue Offsets
 - One-time Revenue Offsets
 - Revenue Analysis
- **Overall Budget Summary**
 - Next Steps

FY24 Budget: Priorities

- Maintain level services for all students
- Carver Public Schools [Educational Blueprint](#)
- Continue development of [MHS Pathways](#)
- Returning to pre-pandemic funding and service levels

FY24 Operating Budget: Overview

- Department of Elementary and Secondary Education
Function Codes for Public Accounting
- Presentation provides a breakdown of each reporting series
- Highlights major changes from FY23 to FY24

1000: District Wide Leadership & Administration

2000: Instructional Services

3000: Support & Other Services

4000: Operations

5000: Fixed Charges (Benefits & Insurances)

9000: Out of District Programs (Tuitions)

1000 Series (District Wide Leadership)

FY23 Budget	FY24 Budget	Percent Change
\$685,082	\$717,298	4.7%

- Raptor Security System at both schools
- Reflects costs for marketing initiatives – stipends and software
- Increase in Microsoft costs as well as ASPEN (SIS)
- No change from 2/7/23 meeting

2000 Series (Instructional Services)

FY23 Budget	FY24 Budget	Percent Change
\$16,677,750	\$17,130,395	2.7%

- Reflects FY24 staffing step/lanes across CBAs and agreements
- Supports level 1 supplies requests
- Reflects service returning to pre-pandemic levels, yielding savings. COVID positions coming off the budget in FY24:
 - COVID Intervention ESPs (6 FTEs)
 - COVID Counselor/Intervention (2 FTEs)
 - COVID Summer Services
- Also returning to typical MHS leadership levels

2000 Series (Instructional Services)

FY23 Budget	FY24 Budget	Percent Change
\$16,677,750	\$17,130,395	2.7%

- Adjustments from 2/7 meeting
- Increased MHS ELL Instructor from 0.5 to 0.75 FTE due to increase in ELL enrollment.
 - Able to purchase some MHS SS texts and CES Math texts this spring.
 - Slight cost savings on projected SPED testing services based on actuals to date.

3000 Series (Support & Other Services)

FY23 Budget	FY24 Budget	Percent Change
\$2,428,392	\$2,439,683	0.5%

- Reflects FY24 salary projections for transportation and related agreements.
 - Transportation turnover yielded some savings
 - Only change from last meeting is drivers to support SPED transportation
- Reflects returning to pre-pandemic service levels. COVID positions coming off the budget in FY24:
 - COVID Lunch Monitors (2 FTEs)
 - COVID Nurse & Health Assistant (2 FTEs)
- Fuel costs level budgeted due to national trends
- Athletics level service + initial year of uniform replacement cycle

4000 Series (Operations)

FY23 Budget	FY24 Budget	Percent Change
\$1,809,641	\$1,829,287	1.1%

- Reflects Operations, Maintenance & Tech Services, including steps & lanes for current contracts. Savings due to custodian turnover.
- Level service budget with increases to reflect change in cost of goods and services.
- Decreases in costs for electricity and gas based on usage, current contract and assumption MHS will return to pre-pandemic HVAC use

5000 Series (Fixed Costs & Benefits)

FY23 Budget	FY24 Budget	Percent Change
\$596,700	\$569,250	-4.6%

- FY23 was the first year health insurance was consolidated with the town as part of the overall shared cost & revenue projection
- Reflects some savings on Medicare and Insurance Mitigation based on returning to pre-pandemic staffing levels
- Reduction in Carver's portion of the Plymouth-Carver Regional Retiree Health agreement based on projected usage estimates
- Liability insurance adjusted down to 6% based on vendor estimate town-wide.

9000 Series (Tuition – Out of District)

FY22 Budget	FY23 Budget	Percent
\$1,506,500	\$1,887,802	25.3%

- As of Feb 1 projections, OOD service costs are up just over 25% year to year.
- This is due to an increase in out of district services required for a few significantly high needs IEPs combined with a 14% increase in rates for non-collaborative placements statewide.
- Carver experienced similar OOD increases in FY20 and FY16. IDEA requires that the district provide the services needed, regardless of cost.
- Norfolk Aggie voted tuition came in slightly lower than conservative estimate.

9000 Series (Tuitions – Out of District)

FY22 Budget	FY23 Budget	Percent
\$1,506,500	\$1,887,802	25.3%

- Assuming these projections hold firm, Carver may apply for extraordinary relief in FY24.
- In addition, the district will likely receive additional Circuit Breaker funding in FY25 to partially offset this impact.
- Carver is also joining leaders from around the state to advocate for state intervention regarding the 14% rate increase for private OOD.

FY24 Operating Budget: Summary

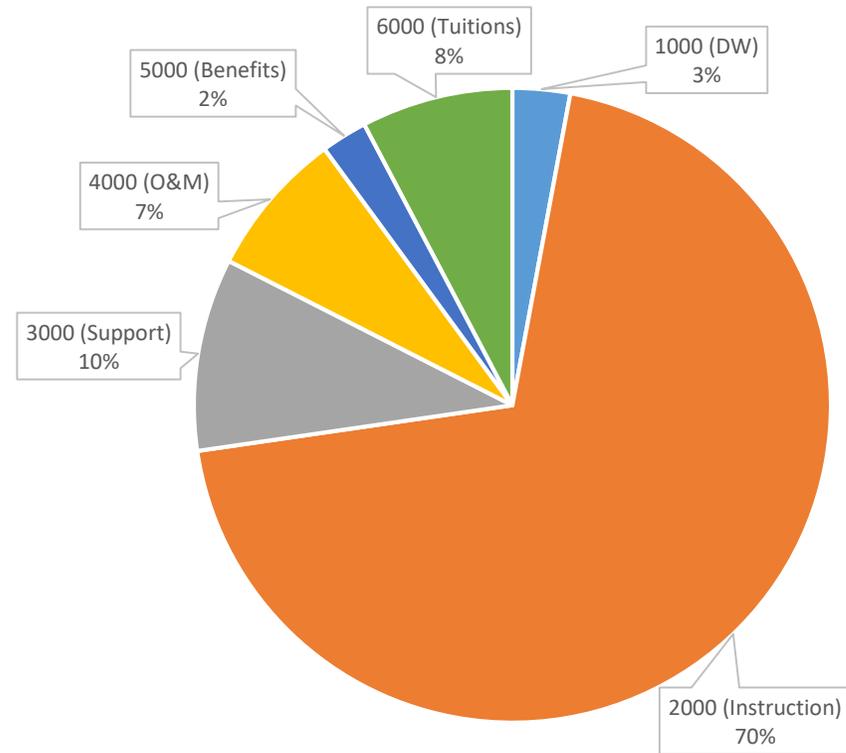
DESE Series	FY23 Budget	FY24 Budget	Percent Change
1000 (DW)	\$685,082	\$717,298	4.7%
2000 (Instruction)	\$16,677,750	\$17,130,395	2.7%
3000 (Support)	\$2,428,392	\$2,439,683	0.5%
4000 (O&M)	\$1,809,641	\$1,829,287	1.1%
5000 (Benefits)	\$596,700	\$569,250	-4.6%
9000 (Tuition)	\$1,506,500	\$1,887,802	25.3%
*Total Costs	\$23,704,063	\$24,573,715	3.7%

**Prior to budget offsets*

FY24 Operating Budget: Analysis

- Approximately 90% of the total operating budget is dedicated to providing student services with 70% specific to student instruction.
- 7% for Operations, Maintenance and Technology
- 3% for district wide administration

FY24 Budget: Proportion by DESE Accounting



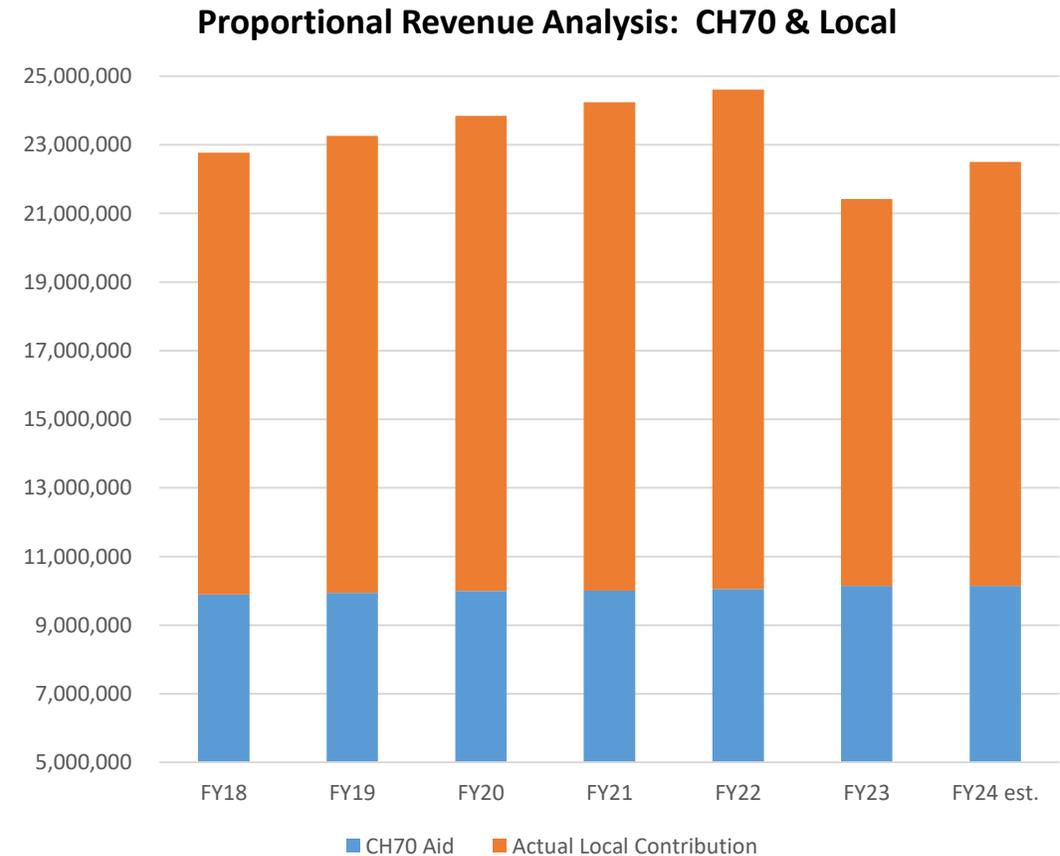
FY24 Revenue: Overview

- The primary source of revenue comes from the town's local taxes plus state aid from the Commonwealth (sometimes referred to as Chapter 70) which are combined as part of the local funding formula.
- Grants, School Choice, Circuit Breaker and User Fees serve as secondary revenue streams but are still important annual offsets.

FY24 Revenue: CH70 & Local Contribution

	FY23	FY24	Percent
Total	\$21,418,428	\$22,500,218	5.1%

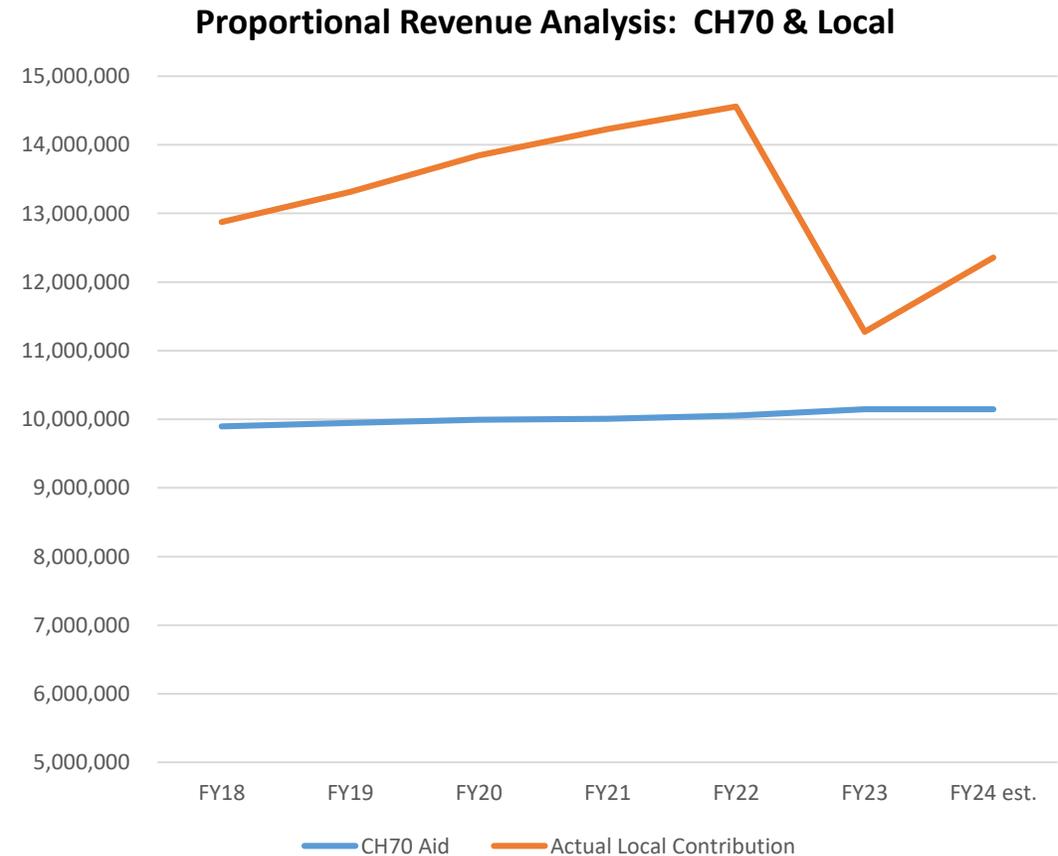
- Carver utilizes a Local Funding Formula which accounts for all combined revenue including State Aid as well as Local Funds
- The formula then backs out shared costs such as insurance, snow removal, state assessments, etc. and determines a final appropriation for the school department which is the number above.
- Health insurance is projected at 3% which greatly helps our revenue position.



FY24 Revenue: CH70 & Local Contribution

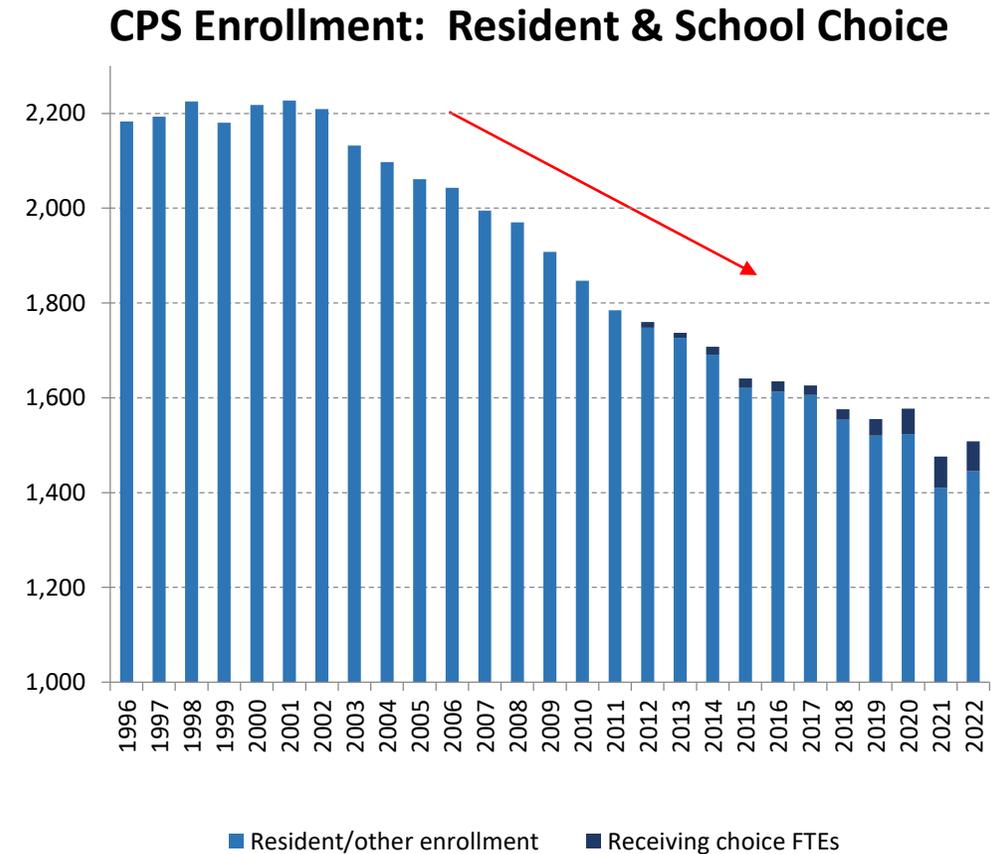
	FY23	FY24	Percent
Total	\$21,418,428	\$22,500,218	5.1%

- The gap between the chapter 70 funding (blue) and local funding (orange) closed in FY23 when we updated the local funding formula to include health insurance and Plymouth County Retirement.
- However, the gap will continue to grow due to a lack in Chapter 70 revenue growth.
- Enrollment is the primary driver of Massachusetts CH70 funding.



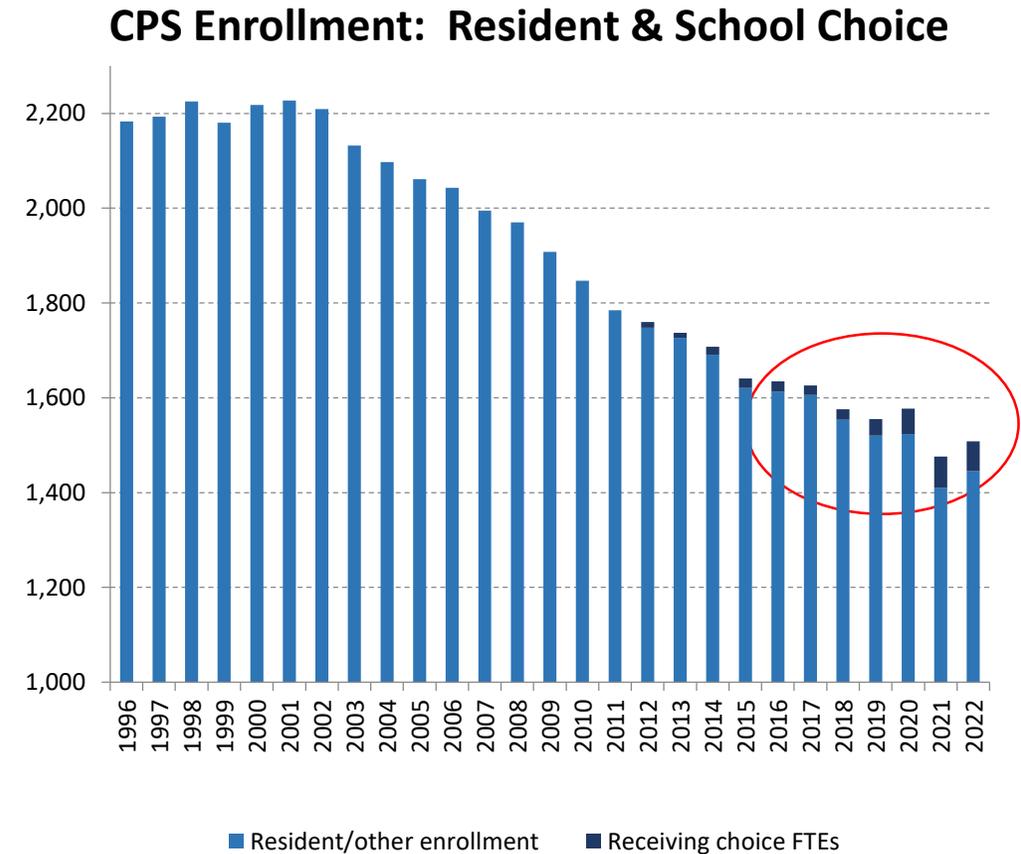
FY24 Revenue: CH70 & Local Contribution

- Carver has mirrored a statewide enrollment decline which is why CH70 funding is flat.
- DESE’s “hold harmless” provision provides a minimum increase in per pupil funding to ensure state aid does not decrease
- Enrollment decline also means that Carver does not realize a significant increase in funding from the Student Opportunity Act (SOA).



FY24 Revenue: Annual Offset (School Choice)

- Carver has benefited from School Choice offsetting your decline in enrollment
- Since 2012, you've had a net positive school choice enrollment
- In FY24, you are projecting approximately \$400,000 in offsetting choice revenue



FY24 Revenue: Annual Offset Revenue

Offset	FY23	FY24	Offset
Circuit Breaker	\$504,867	\$533,497	SPED OOD
School Choice	\$405,249	\$400,000	Teacher Salaries
Major Grants <i>(Title 1 & SPED IDEA)</i>	\$659,917	(\$700,000)	ESP Salaries
PK tuition	\$40,000	(\$40,000)	PK Salaries
Total	\$1,610,033	(\$1,673,497)	

- These offsets are typically reliable funding streams you can anticipate to offset specific costs each year.
- Other annual offsets such as athletics, intermurals and parking fees (offset graduation costs) are already built into the operating budget.

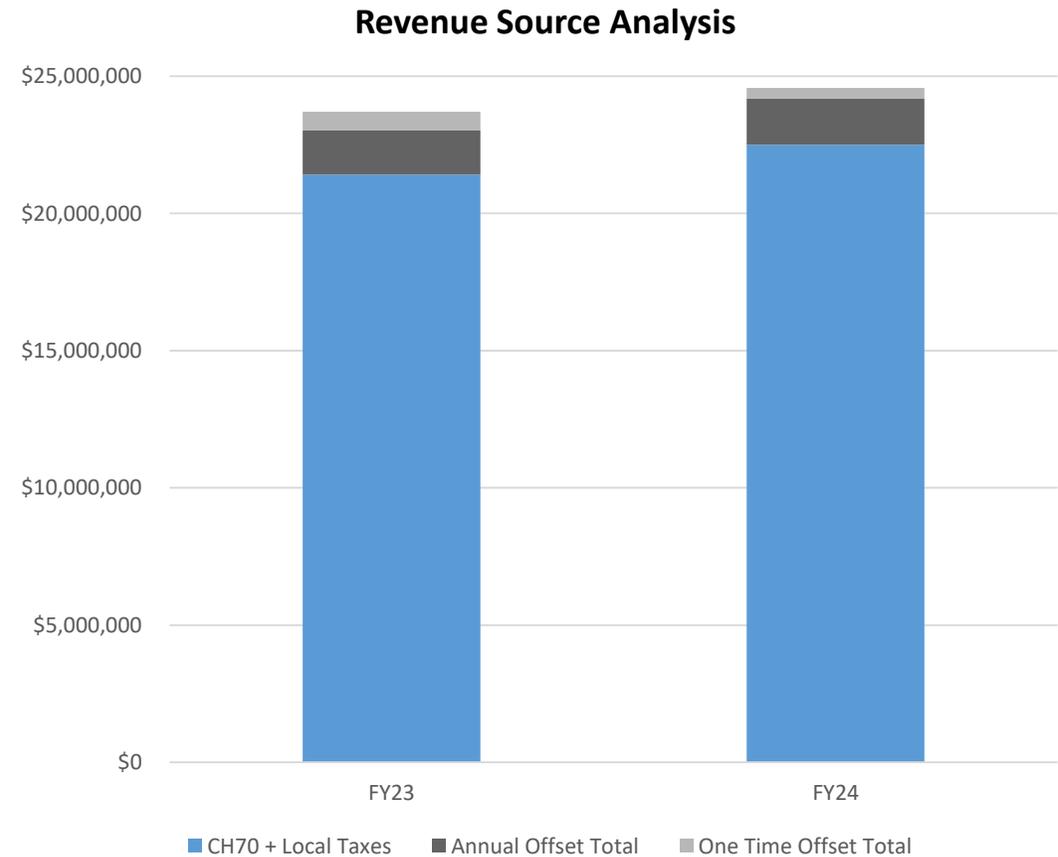
FY24 Revenue: One Time Offset Revenue

Offset	FY23	FY24	Offset
Grant rollovers	\$10,000	\$75,000	Educational Support Professionals
ESSER 3	\$615,603	\$250,000	Special Education Tuitions & SPED Evaluations
Collab Pre-pay	\$50,000	\$75,000	Special Education Tuitions
Total	\$675,603	\$400,000	-40.8%

- Temporary funding streams which offset specific costs
- Ideally, you want to decrease reliance on one-time offset revenue.
- In FY24, we are beginning to decrease our reliance on these funds. We will need to continue to reduce that reliance in FY25 and beyond.

FY24 Revenue: Summary & Analysis

Revenue Source	FY23	FY24	Percent Change
Local and State Aid	\$21,418,428	\$22,500,218	5.1%
Annual Offsets	\$1,610,033	\$1,673,497	3.9%
One Time Offsets	\$675,603	\$400,000	-40.8%
Total Revenue	\$23,704,063	\$24,573,715	3.7%



FY24 Budget: Overall Summary

FY24 Operating Budget	\$24,573,715
<i>Annual Circuit Breaker</i>	(\$533,497)
<i>Annual School Choice</i>	(\$400,000)
<i>Annual Grants</i>	(\$700,000)
<i>Annual PK tuition</i>	(\$40,000)
<i>Grant Rollovers</i>	(\$75,000)
<i>ESSER 3</i>	(\$250,000)
<i>Collab Pre-pay</i>	(\$75,000)
FY24 Operating Budget less offsets	(\$22,500,218)
CH70 + Local Revenue	\$22,500,218
Balance / (shortfall)	\$0

- FY24 has a fully balanced operating budget.
- CPS is still utilizing one time funding so expect that FY25 will be particularly challenging.

FY24 Budget: Next Steps

- Vote the local budget appropriation of: \$22,500,218
- Final appropriation to be voted at annual town meeting
- July 1, 2023: FY24 budget begins