

To: Sherborn Omnibus Budget Makers and Elected Officials
CC: Sherborn Residents
From: Sherborn Advisory Committee
Date: November 5, 2012
Subject: FY2014 Omnibus Budget Guidance

Sherborn's Financial Situation

Sherborn's financial situation remains much as it was last year. With respect to state aid, a key portion of our revenue, we expect Sherborn to receive a zero or very slight increase in FY2014. Additionally, the Town is fast approaching a less well-known constraint imposed by Proposition 2 ½: along with the Proposition's limitation on annual property tax levy increases, it also limits the **total tax rate** to 2.5% of assessed property values. We are now at a tax rate of 1.97%. Depending on changes in the valuation of residential real estate, or unanticipated expenses, this limit may bind upon the Town's taxing ability the next 5 to 10 years. Advisory will be discussing this issue at greater length in our report for the Annual Town Meeting, but we would ask budget makers to be aware of this situation as they prepare their FY14 budgets.

Free Cash

At the 2012 Town Meeting, Sherborn approved a non-override budget for the sixth year in a row. The Town was able to do this with a combination of tightly managed budgets and a depletion of the Town's free cash position to well below the 3%-5% level the state recommends that a town maintain. Any further depletion of free cash could imperil our town's AAA credit rating. Even without regard to the effects on our credit rating, Advisory does not think it prudent to further decrease our free cash position.

Because free cash will not be a source of funds for the operating budget, we anticipate that budget makers will face some difficult choices as they prepare their FY2014 budgets. We note that both the Board of Selectmen and the Advisory Committee have voted a formal goal of a non-override operating budget for FY2014.

Operating Budget Issues

The Advisory Committee's challenge is to assemble town-wide operating and capital budgets even though several large budget drivers may not be known until after the December 31 budget submission deadline. These unknowns include, but are not limited to:

- Special Education. Mandated expenses can be significantly affected by the as-yet-unknown requirements or size of the student population using SPED services.
- The potential addition of Town personnel to fill existing vacancies.

Capital Projects

Debt coverage payments are a significant portion of the taxes paid by each Sherborn household, and several recent purchases (new fire engine, police communications system, and CM&D truck) have been added to the amortization schedule and will be reflected in tax bills. At present, the town incurs about \$1.5 million annually in debt service charges. For the most part, only purchases of legally mandated or critical equipment will be considered for inclusion in the FY2014 budget. Most projects will have to be deferred until further into the economic recovery.

Omnibus Budget Guidance

Our Omnibus Budget guidance continues to be a three-pronged approach to return Sherborn to a strong financial position, strengthen reserves, and protect property values.

- Strive to keep tax increases to an absolute minimum through non-override operating budgets and strong cash reserves
- Fund only legally mandated or time-critical capital projects and purchases
- Implement policies and initiatives that enhance revenues, promote reasonable growth, contain costs, and manage future liabilities

Continuation of Last Year's Budgeting Process

Advisory has voted to follow the same revenue-driven top-down process in establishing budgets for individual budget makers as it did for the FY13 budget. This year's revenue numbers for the Town are projected to be as follows:

Revenue Estimates for FY14	
Prior Year Levy Limit	\$19,669,304
Prop 2 1/2	\$491,733
New Growth (estim.)	\$100,000
This Year Levy Limit	<u>\$20,261,037</u>
Debt Exclusion (FY13)	\$1,803,904
MAX ALLOWABLE LEVY	<u>\$22,064,941</u>
Estim. Revenue	\$1,107,500
State Aid (excluding SBA)	\$1,014,839
RFA (Avail funds and xfers)	\$500,000
Revenue and other sources	<u>\$2,622,339</u>
Less:	
Overlay	\$125,000
Cherry Sheet	<u>\$70,279</u>
Total Revenue to Budgetmakers	<u>\$24,492,001</u>
Total Budgets FY13	\$23,951,147
FY14 increase	\$540,854
Less:	
Req'd benefits increase	\$200,000
Contribution to OPEB liabilities	\$100,000
Addition to Reserve	\$15,943
\$ increase available to budget makers	<u>\$224,911</u>
% increase over FY13 prorable	<u>1.10%</u>

Relative to last year's budgets, the Town has an additional \$540K to spend this year. However, the Town is facing an unusually large mandated increase in employee benefit costs of an estimated \$200K. Additionally, Advisory feels it is important to continue resolving our underfunded OPEB (Other Post-Employment Benefits) liabilities, while restoring the health of our Reserve Fund. After taking these costs into account, the remaining revenue allows for only a little over a 1% increase over last year's budgets.

As noted above, the Free Cash solution is no longer available; therefore we must match expenses to revenues. Accordingly, Advisory is recommending that budget makers adhere to no more than a 1% increase over their FY13 budgets. This will leave a small cushion of just over \$20,000 to resolve unexpected items, should they arise. Please see the attached list of targets by budgeting entity in Exhibit A, with targets listed under the column heading "Budget Targets". These targets are based on the FY13 use of town revenues by budgeting entity and our best estimate for FY2014 revenues from all sources. Please do not submit budgets in excess of your line item shown on Exhibit A.

If you determine that a service that your organization currently delivers can no longer be funded due to the proposed limit(s), please provide a separate document with a line-by-line explanation, **including specific costs**, of what taxpayers will lose if the budget remains at the Advisory target.

Capital budgets should be dealt with in a manner similar to that for operating budgets. Legally mandated and critical items should comprise your target budget. Any other items you feel are necessary should be listed with a specific explanation, **again including costs**, as to what the town will gain or lose if these items are included or not.

Alternative Revenue Funding

As we continue to work our way out of the fiscal challenges imposed by the economic downturn, alternative sources of revenue are more important than ever; the Advisory Committee strongly encourages all budget makers to explore alternative funding possibilities.

In the past, several Town budget makers have been successful in obtaining state and federal grants to fund important activities and/or acquisitions. Also, Sherborn is blessed with many strong and effective private support groups for our schools and other organizations. Two recent excellent examples of this public/private funding are the new athletic field underwritten by the Dover-Sherborn Boosters and the very significant private donations and state grant monies raised by the Library Trustees towards the planned expansion of the library. Both of these private organizations, along with others, also contribute funds toward the operating expenses of the town department with which they are associated.

Timeline

Your FY2014 budget is due to the Town Accountant no later than December 31, 2012. Questions regarding your FY2014 budget should be directed to the Town Accountant or your Advisory Committee liaison. A list of liaison assignments is attached as Exhibit B.

Please review the previously mailed 2013 Warrant Guidance letter from the Board of Selectmen and the Advisory Committee for submission deadlines for Warrant Articles.

Thank you for the hard work you are about to undertake on behalf of Sherborn taxpayers and the long-term future of the town. The Advisory Committee looks forward to working with all policy and budget makers to produce an FY2014 Omnibus Budget that provides efficient, quality services to Town residents while continuing to restore the town to a sound and favorable financial position

Sincerely yours,

Sherborn Advisory Committee

Mark Brandon, Chair
George Pucci
Jeff Rudin

Mary Wolff, Vice-Chair
Vicki Rellas
Erik Sirri

Russ Pollock
Lawrence Rubin
Ben Williams

Exhibit A

Budget Targets for FY2013

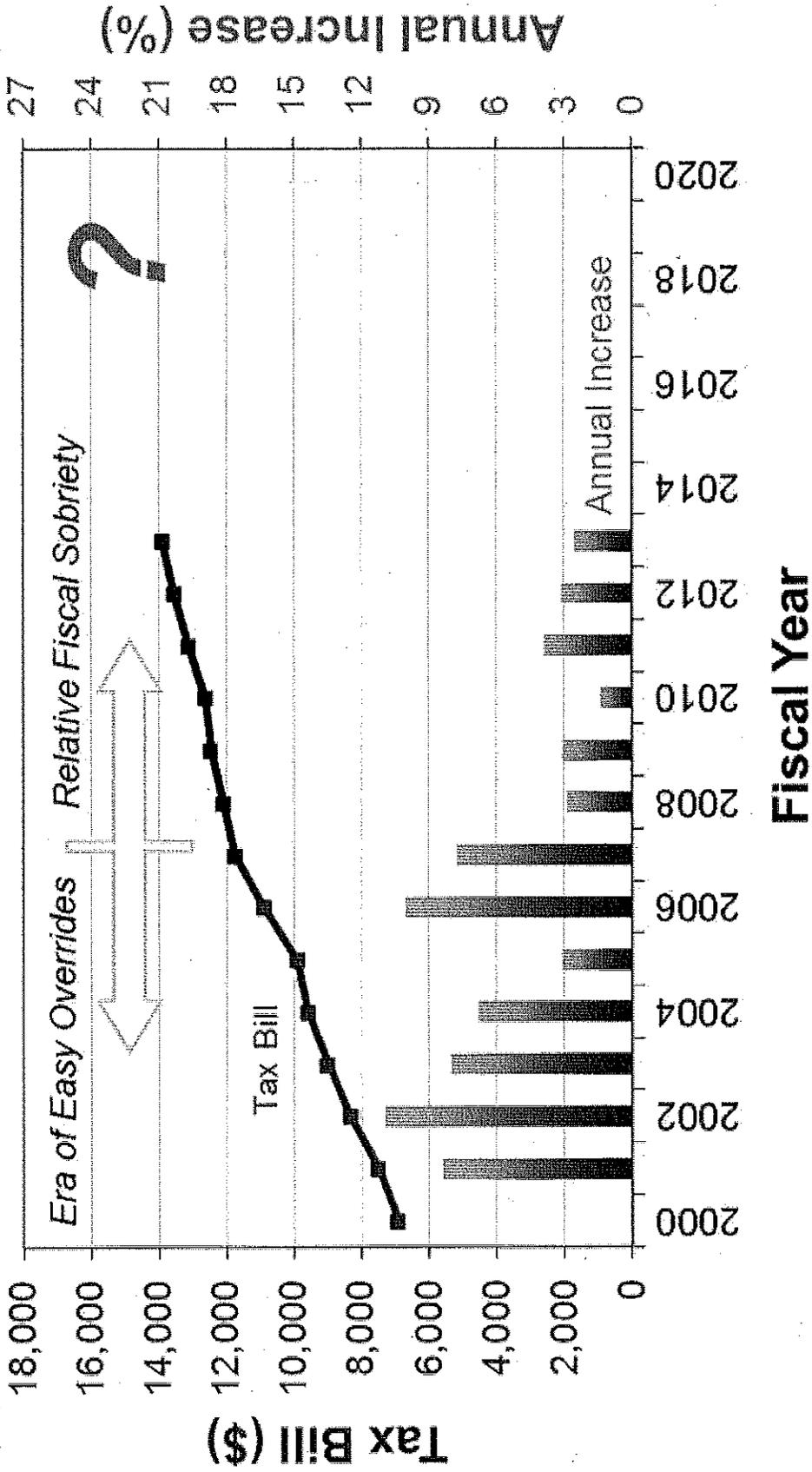
	NON OVERRIDE	AVAILABLE REVENUE EST	\$ INCREASE	% INCREASE
	FY 2013	for 2014		
	23,951,147	24,469,025	517,878.39	
122 Selectmen-Payroll	181,973	183,793	1,820	1%
122 Selectmen-Expenses	30,925	31,234	309	1%
151 Town Counsel	65,000	65,650	650	1%
430 Transfer Station	254,848	257,396	2,548	1%
141 Assessors Payroll	100,073	101,074	1,001	1%
141 Assessors Expenses	9,945	10,044	99	1%
145 Treasurer Payroll	98,100	99,081	981	1%
145 Treasurer Expenses	22,749	22,976	227	1%
146 Tax Collector Payroll	93,775	94,713	938	1%
146 Tax Collector Expenses	18,150	18,332	182	1%
135 Town Accountant Payroll	93,325	94,258	933	1%
135 Town Accountant Expenses	8,988	9,078	90	1%
135 Town Accountant Annual Audit	25,000	25,250	250	1%
131 Advisory Committee-Payroll	450	455	5	1%
131 Advisory Committee Expenses	3,460	3,495	35	1%
175 Planning Board Payroll	39,611	40,007	396	1%
175 Planning Board Expenses	1,525	1,540	15	1%
161 Town Clerk Payroll	84,496	85,341	845	1%
161 Town Clerk Expenses	5,145	5,196	51	1%
162 Election & Regis. Payroll	31,900	32,219	319	1%
162 Election & Regis Expenses	14,168	14,310	142	1%
192 Town Buildings Payroll		0	-	
192 Town Buildings Expenses	214,098	216,239	2,141	1%
210 Police Dept Payroll-Union	990,326	1,000,229	9,903	1%
Police Dept Payroll-Non Union	120,253	121,456	1,203	1%
Police PR OVERTIME	126,273	127,536	1,263	1%
210 Police Dept Expenses	83,150	83,982	832	1%
210 Police: Cruiser	32,000	32,320	320	1%
220 Fire/Rescue Payroll	328,406	331,690	3,284	1%
220 Fire/Rescue Expenses	88,430	89,314	884	1%
317 Minuteman Regional High School	-	0	-	
301 DS Regional -Sherborn share	7,626,356	7,702,620	76,264	1%
301 DSRHS Debt	629,771	636,069	6,298	1%
302 Tri-County Voc Tech	55,925	55,925	-	0%
303 Sherborn Schools PR/Exp	4,096,285	4,137,248	40,963	1%
303 Pine Hill SPED	1,484,291	1,499,134	14,843	1%
303 Sherborn Schools DS766 OOD	1,332,009	1,345,329	13,320	1%
316 Norfolk Agricultural (Incl Transp) CM&D Payroll Union (incl snow & ice)	65,808	65,808	-	0%
401 CM&D Payroll Non Union	484,208	489,050	4,842	1%
401 CM&D Payroll Non Union	99,387	100,381	994	1%

401	CM&D Expenses	327,634	330,910	3,276	1%
512	Board of Health Payroll	61,154	61,766	612	1%
512	Board of Health Expenses	66,348	67,011	663	1%
610	Library Payroll	262,525	265,150	2,625	1%
610	Library Expenses	127,745	129,022	1,277	1%
650	Recreation Expenses	9,862	9,961	99	1%
635	Farm Pond Payroll	89,251	90,144	893	1%
635	Farm Pond Expenses	13,441	13,575	134	1%
660	Town Forest		0	-	
541	Council on Aging Payroll	97,980	98,960	980	1%
541	Council on Aging Expenses	20,300	20,503	203	1%
171	Conservation Payroll	44,778	45,226	448	1%
171	Conservation Expenses	4,647	4,693	46	1%
543	Veteran's Agent Payroll		0	-	
543	Veteran's Agent Expenses	1,860	1,879	19	1%
691	Historical Comm.	500	505	5	1%
433	Recycling	4,673	4,720	47	1%
491	Cemetery	45,670	46,127	457	1%
545	Elderly Housing Expenses	168,027	169,707	1,680	1%
241	Building Inspectors Payroll	68,195	68,877	682	1%
241	Building Inspectors Expenses	3,400	3,434	34	1%
919	Insurance-General	153,726	155,263	1,537	1%
910	Insurance-Employee Benefits	1,791,181	1,988,211	197,030	11%
710	Debt Retirement	1,503,611	1,503,611	-	0%
711	OPEB	100,000	100,000		0%
990	Reserve Fund	44,057	60,000	15,943	36%
A3	TOTAL BUDGETS	23,951,147	24,469,025	517,878	

**Exhibit B
Advisory Liaisons**

Accountant	Ben Williams
Assessors	Erik Sirri
Board of Health	Erik Sirri
Capital Budget	Erik Sirri
Cemeteries	Vicki Rellas
CM&D	Jeff Rudin
Conservation Commission	Lanny Rubin
Council on Aging	Vicki Rellas
Debt Service	Ben Williams
Dover Warrant Liaison	Mark Brandon
Downtown Water District	Lanny Rubin
Elderly Housing	Vicki Rellas
Energy Committee	Ben Williams
Farm Pond	Mary Wolff
Fire & Rescue	Jeff Rudin
Historical Committee	Mary Wolff
Inspectors	Russ Pollock
Insurance/Employee Benefits	Russ Pollock
Legal Counsel	Mark Brandon
Library	Mary Wolff
Personnel	Mark Brandon
Planning Board	Mary Wolff
Police	Jeff Rudin
Recreation	Erik Sirri
Recycling	George Pucci
Sherborn School Committee	Russ Pollock, Mary Wolff, Back up - Mark Brandon
Regional School Committee	Lanny Rubin, George Pucci, Back up - Mark Brandon
Selectmen	Mark Brandon
Tax Collector	Ben Williams
Town Buildings	Mary Wolff
Town Clerk (Election & Reg.)	Vicki Rellas
Transfer Station	George Pucci
Treasurer	Ben Williams
Veterans	Russ Pollock

Average SFH Tax Bills



DOVER -SHERBORN REGIONAL SCHOOL DISTRICT

FY 2012-2013

HIGH SCHOOL

	<u>9/11</u>	<u>6/12</u>	<u>Sept.</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>	<u>May</u>	<u>June</u>
9	159	159	182	183	183							
10	155	153	162	161	161							
11	168	166	149	146	146							
12	162	156	158	156	156							
TOTAL	644	634	651	646	646							
Dover	363	360	357	355	355							
Sherborn	272	265	285	282	282							
Tuition	0	0	0	0	0							
Foreign	3	3	2	2	2							
Metco	9	9	9	9	9							
Other	0	0	0	0	0							

MIDDLE SCHOOL

6	192	196	164	161	161							
7	172	166	198	195	195							
8	195	194	171	171	170							
TOTAL	559	556	533	527	526							
Dover	281	276	274	270	269							
Sherborn	270	271	248	246	246							
Tuition	0	0	0	0	0							
Foreign	0	0	0	0	0							
Metco	8	8	11	11	11							
Other	0	0	0	0	0							

GRAND TOTAL	1203	1190	1184	1173	1172							
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2012 - 2013

DOVER SCHOOL ENROLLMENT
CHICKERING SCHOOL

9/11	6/12	<u>Sept.</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>	<u>May</u>	<u>June</u>
<u>KINDERGARTEN</u>											
68	70										
BHEALEY/BRAN		17	18	18							
COHN		17	17	17							
DELANEY		17	17	17							
DISCH		<u>17</u>	<u>18</u>	<u>18</u>							
		68	70	70							
<u>FIRST GRADE</u>											
73	79										
CRONIN		19	19	19							
MARCHILDON		20	20	20							
N.POWERS		18	17	17							
SAUNDERS		<u>19</u>	<u>19</u>	<u>19</u>							
		76	75	75							
<u>SECOND GRADE</u>											
92	90										
BAKER		21	20	20							
GENTILLI		21	21	21							
MORAN		21	21	21							
YOUNG		<u>21</u>	<u>21</u>	<u>21</u>							
		84	83	83							
<u>THIRD GRADE</u>											
88	89										
CRAFT		19	19	19							
GRADY		20	20	20							
HART		19	19	19							
ULRICH		20	20	20							
WOOD		<u>19</u>	<u>19</u>	<u>19</u>							
		97	97	97							
<u>FOURTH GRADE</u>											
103	103										
ATKINSON		20	20	20							
HAGGETT		18	18	18							
KEOHANE		17	17	17							
MCLAUGHLIN		18	18	18							
WASIK		<u>19</u>	<u>19</u>	<u>19</u>							
		92	92	92							
<u>FIFTH GRADE</u>											
89	88										
CHIAVARNI		21	21	21							
D.POWER		21	21	21							
VARLEY		20	20	20							
WADNESS		22	22	22							
YORSTON		<u>21</u>	<u>21</u>	<u>21</u>							
		105	105	105							
<u>GRAND TOTAL</u>											
513	519	522	522	522							

2012 - 2013
PINE HILL SCHOOL ENROLLMENT

<u>Sept. '11</u>	<u>June '12</u>	<u>Sept.</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>	<u>May</u>	<u>June</u>
<u>KINDERGARTEN</u>											
48	52										
CONNERY		16	16	16							
HILPERTS		17	17	17							
PARKER		<u>16</u>	<u>16</u>	<u>16</u>							
		49	49	49							
<u>FIRST GRADE</u>											
60	63										
GIRD		17	17	17							
SIDMAN		17	17	17							
SULLIVAN		<u>17</u>	<u>17</u>	<u>17</u>							
		51	51	51							
<u>SECOND GR.</u>											
59	61										
CUSTODIO		23	23	23							
MERRIAM		22	22	22							
TULLY		<u>21</u>	<u>21</u>	<u>21</u>							
		66	66	66							
<u>THIRD GRADE</u>											
67	70										
EDELGLASS		21	21	21							
LUCEY		21	21	21							
MACKAY		<u>22</u>	<u>22</u>	<u>22</u>							
		64	64	64							
<u>FOURTH GR.</u>											
79	80										
MEALEY		19	19	19							
RITCHIE		19	19	19							
RYAN		18	18	18							
SCOBIE		<u>18</u>	<u>18</u>	<u>18</u>							
		74	74	74							
<u>FIFTH GRADE</u>											
69	70										
CORREIA		21	21	21							
DARRAH		19	19	19							
LUNDQUIST		19	19	19							
MCADAMS		<u>20</u>	<u>20</u>	<u>20</u>							
		79	79	79							
<u>TOTAL</u>											
382	396	383	383	383							
<u>PREK</u>											
15	15		22	22							

DOVER SHERBORN REGIONAL SCHOOL DISTRICT
 FY 2013 PROPOSED BUDGET
 SUMMARY

DISCRIPTION	FY 2010 Expended	FY 2011 Expended	FY 2012 Budget	FY 2013 Budget	Variance \$	%	FY 2012 % OF BUDGET	FY 2013 % OF BUDGET
SALARIES & OTHER COMPENSATION	11,920,565	12,218,899	12,770,508	13,157,435	386,927	3.03%	63.42%	63.90%
BENEFITS	2,563,640	2,720,820	2,647,104	2,727,719	100,615	3.81%	13.15%	13.33%
INSURANCE-PROPERTY	80,646	50,261	41,730	48,212	6,482	15.53%	0.21%	0.23%
OTHER	1,113,976	1,120,288	1,469,968	1,392,148	(77,820)	-5.29%	7.30%	6.76%
TRANSPORTATION	569,876	660,292	681,276	707,528	26,252	3.85%	3.38%	3.44%
BUILDINGS & GROUNDS (NON PERSONNEL)	1,012,432	1,075,306	1,078,955	1,101,955	23,000	2.13%	5.36%	5.35%
CAPITAL CASH OUTLAY	0	0	35,000	35,000	0	0.00%	0.17%	0.17%
DEBT SERVICE	1,501,024	1,351,215	1,414,406	1,404,798	(9,608)	-0.68%	7.02%	6.82%
TOTAL GENERAL FUND	\$ 18,712,159	\$ 19,177,101	\$ 20,135,947	\$ 20,591,795	\$ 455,848	2.26%	100.00%	100.00%

* INCLUDES SUCH ITEMS AS CONTRACTED SERVICES, EDUCATIONAL/OFFICE SUPPLIES, TEXTBOOKS AND CLASSROOM EQUIPMENT
 NUMBERS ARE ESTIMATES AND SUBJECT TO CHANGE

Final March 6, 2012 by RSC

**Dover-Sherborn Regional School District
FY 2013 Estimated Revenue Sources**

Description	FY10	FY11	FY12	FY13	CHANGE INC/(DEC)	%
	EXPENDED	EXPENDED	BUDGET	PROPOSED		
DOVER ASSESSMENT REVENUE	9,217,620	9,467,366	9,549,535	9,810,253	260,718	2.73%
SHERBORN ASSESSMENT REVE	7,386,323	7,835,194	8,141,084	8,256,128	115,044	1.41%
STATE AID CHAPTER 70 REVENUE	1,416,873	1,326,935	1,352,295	1,334,554	(17,741)	-1.31%
STATE AID CHPT 71 TRANSP REVENUE	301,279	270,573	241,332	304,360	63,028	26.12%
BLDG RENT REVENUE (TRSF)	20,000	18,240	20,000	20,000	0	0.00%
REVENUE MIS ACTIVITY FEE	16,600	19,755	19,250	19,250	0	0.00%
ATHLETIC FEES REVENUE	182,200	203,336	205,151	215,000	9,849	4.80% *
MISC REVENUE	36,628	17,933	10,000	10,000	0	0.00%
REVENUE H/S ACTIVITY FEE	15,120	10,795	19,250	9,250	(10,000)	-51.95% *
REVENUE H/S PARKING FEES	37,686	38,297	38,050	38,000	(50)	-0.13%
BANK INTEREST GEN FUND R	13,432	10,322	10,000	15,000	5,000	50.00%
TRANSFER (IN)	29,886	31,567	30,000	60,000	30,000	100.00%
EXCESS AND DEFICIENCY	483,911	500,000	500,000	500,000	0	0.00%
Grand Total:	\$ 19,157,558	\$ 19,750,313	\$ 20,135,947	\$ 20,591,795	\$ 455,848	2.26%

NUMBERS ARE ESTIMATES AND SUBJECT TO CHANGE

*INCREASE IN ENROLLMENTS FOR ATHLETICS

*DECLINE IN ENROLLMENTS FOR AFTER SCHOOL ACTIVITY

Final March 6, 2012 by RSC

DOVER/SHERBORN PUBLIC SCHOOLS
DOVER, MASSACHUSETTS 02030

Valerie Spriggs
Superintendent of Schools

Office of the Superintendent
157 Farm Street
(508) 785-0036
FAX (508) 785-2239

Christine N. Tague
School Business Manager

Date: November 1, 2012
To: Dover Sherborn Regional School Committee
From: Christine N. Tague, Business Manager
RE: Report by Business Manager

FY2013 Status of Appropriations: Enclosed please find the October 31, 2012, financial report.

Since we last reported, there are six teachers out on leave and one additional teacher that requested a three month leave in January of 2013. We have finalized all the salary encumbrances based upon the most current information. The salary variance is anticipated to be approximately \$200,000. This variance is as a result of the difference in pay between the teachers on leave versus the substitute pay. Additionally, there are several teachers that anticipated lane changes but the change did not materialize. The negative variance of \$32,128 in the Business and Finance function will be offset by the positive variance of \$32,180 in the Treasurer's line item within the school committee's function code. In the past this position was budgeted in the Treasurer's line item. This line item is grouped within the school committee's function code; the FY14 budget will be changed to reflect the appropriate function code. The Instructional aides' function code is over budget as a result of the school committee's approval last spring to provide Labor Day as a paid holiday for support staff.

Facilities: One remaining open capital item for FY '13 was the High School courtyard roof. The budget was \$14,850. The actual quote to complete the project is \$48,000. The first estimate of \$24,000 would replace one of the roofs but there are actually two roofs on the courtyard. Both roofs are the same age and size. As previously stated the roofs already have two layers and require complete removal and replacement. Mr. Kelley checked with the contractor to see if we could repair the leaking seam. Mr. Kelley suggests that we include replacement of the courtyard roof to be completed at the same time as the main roofs. This maybe more cost effective given the larger scale of work.

If the school committee decides not to move forward on the High School courtyard roof replacement, we request the school committee consider utilizing the budget for the purchase of a cafeteria floor scrubber. The current machine is twelve years old. The useful life of this machine is generally 10 years. This machine is utilized 4-5 hours on a daily basis during the school year. We have had to service the machine a dozen times over the past several years with the average repair cost of \$1,500. The Capital Plan has this scheduled for replacement in FY '14 due to the current annual maintenance cost. The cost estimate for this machine is \$12,450. We have pictures available if necessary.

Capital Needs Assessment Plan: The Capital Needs Assessment plan was distributed to the school committee on October 16th. Craig Torres, Senior Associate with On-Sight Insight, will provide us with a discussion of the process of evaluating the needs and overview of the complete report. The intent of this report was to identify both short and long term capital needs. This report should be considered as a planning document that is subject to change as priorities may change given varying circumstances. The central office administration needs further discussion with the school committee concerning the next steps

FY13
\$200,000
Salary
Variance

Dover Sherborn Regional Schools Teachers' Contract (Sept 1, 2011 to Aug 31, 2014)

- Agreed Components
 - Staff on matrix to receive matrix only increase - 0% COLA
 - Staff on maximum step to receive
 - 2% COLA in FY12
 - 1% COLA in FY13
 - 1.25% COLA in FY14
 - Extra Compensatory pay frozen, FY11 level
 - Healthcare - West Suburban Health Group
 - MOUs- calendar, matrix, teachers' evaluations, middle school room temperature

Report provided for ~~Nov 14~~^{Sept.} Meeting

DOVER/SHERBORN PUBLIC SCHOOLS
DOVER, MASSACHUSETTS 02030

Superintendent of Schools
Valerie Spriggs

157 Farm Street
(508) 785-0036

Christine N. Tague
Business Manager

Date: August 30, 2012
To: Dover-Sherborn Regional School Committee
From: Christine N. Tague
Re: Fiscal Year 2012 Preliminary Unaudited Closing

✓ **Finance Department Personnel Changes-** We would like to thank Fran Rush, who is retiring, for her services to the Dover Sherborn Public Schools. Fran's role as an Assistant Treasurer/Finance Office Associate for the Regional and Elementary School Districts has been instrumental in achieving efficiencies and financial transparency for the three districts. Her replacement is Heidi Perkins, who formally was the Payroll Coordinator for the districts. Heidi has recently obtained her Master's Degree and the DESE license as a School Business Administrator. She previously worked for the Town of Millis and Town of Dover as Assistant Town Accountant.

✓ We would also like to welcome Leeanne Wilkie into the position of Payroll/Financial Assistant. Leeanne replaces Heidi. Leeanne has comparable experience in the Northborough Southborough Regional School District. She holds a Bachelor's degree as well as many years as a staff auditor for a public accounting firm.

Financial Reporting- Enclosed please find the FY 2012 reports:
Status of Appropriations (Preliminary Closing)
Treasurer's Revenue Report
Excess & Deficiency (E&D) Certification by the Department of Revenue
Student Activity Fees

✓ **Status of Appropriations-** The Fiscal Year '12 preliminary closing balance for expenditures is a positive surplus of \$604,972. The expenditure surplus is attributable to positive variances in salaries of \$243,479 and expenditures of \$361,493.

Of the \$243,479 salary variance \$189,793 is attributable to seven teachers out on maternity, child rearing or other leaves of absences throughout the school year. The

remaining portion of the salary variance is primarily attributable to anticipated lane changes which did not occur.

The \$361,493 in the expenditure surplus consists of three major positive variances in the set aside for contract negotiations \$121,880, utilities \$84,530 and health care \$187,000. These positive variances have been explained to the School Committee in previous reports throughout the fiscal year. There were several other smaller favorable variances in various functions codes that were utilized to offset the unfavorable variance where necessary and as explained in the transfer request provided below.

We would recommend the School Committee approve the following transfers to balance out the FY 2012.

<u>Transfer from Function:</u>		
1210: Superintendent	\$ 45,064	- Richard - Moved
2305: Classroom Teachers	\$175,543	
Total	\$220,607	- Ellen - Lind.

<u>Transfer to Function</u>		
1420: Human Resource & Benefits	\$ 160	
2100: District Academic Leaders	\$ 1,000	
2310: Teacher Specialist	\$ 48,819	
2325: Sub's	\$ 14,673	
2330: Non Clerical/Inst Paraprofessionals	\$ 12,068	
2340: Librarians & Media Center	\$ 2,161	
2350: Professional Development	\$ 2,900	
2410: Textbooks & Related Software	\$ 4,019	
2451: Classroom Technology	\$ 15,576	✓
3200: Medical & Health Services	\$ 5,385	
3300: Transportation Services	\$ 4,352	
3510: Athletics	\$ 9,350	
4110: Custodial Services	\$ 66,604	
4300: Extraordinary Maintenance	\$ 33,540	
Total Transfer to Function	\$ 220,607	

Explanation of significant variances: \$5,000 or greater

Approved
Unanimous

been utilized for years. All other negative variances were offset by positive variances in other categories. The net revenue and expenditure result for FY '12 was \$717,112.

✓ **Excess and Deficiency** E & D was certified for FY '12 \$888,410 or 4.3%. Please keep in mind this amount is certified on a semi cash basis and does not include the receivables due from the Community Education.

Student Fees and Fund Balances – With the exception of HS student activity fees, all categories either met or exceeded budget. This is the second year in which the HS fees are below budget, the FY '13 budget was reduced to reflect this decline. There has been an increase in Athletic Fees collected of \$19,724 which validate our assumption that more students are participating in athletics than in student activities.

Facilities Update:

- ✓ WWTF - Enclosed please find a memo from Mr. Martinage concerning the WWTF update as well as his letter to the DEP concerning the release of the District for Phase 2 of the project based upon the testing results. *2 years of data - ACOP*
- ✓ The Capital Needs Assessment draft is completed and will be submitted to the School Committee for its review.
- ✓ The HVAC subcommittee has a meeting scheduled for September 7, 2012 to review the design and schedule for the bid documents for the construction phase.

Friday @ 8:00

From:  recapdata@dor.state.ma.us Thursday, August 09, 2012 1:02:30 PM  

Subject: Excess and Deficiency Notification for Dover Sherborn

To:  Christine Tague  rushf@doversherborn.org  jrecpa@hotmail.com
 spriggsv@doversherborn.org  recapdata@dor.state.ma.us

Attachments:  Attach0.html

3K

Massachusetts Department of Revenue Division of Local Services
 Amy Pitter, Commissioner
 Robert G. Nunes, Deputy Commissioner & Director of Municipal Affairs

Thursday, August 09, 2012

Christine N. Tague
 Business Manager
 Dover Sherborn

Re: **EXCESS AND DEFICIENCY - Dover Sherborn**

Based upon the unaudited balance sheet submitted, I hereby certify that the amount of excess and deficiency or "E & D" as of July 1, 2012 for Dover Sherborn is:

General Fund	\$ 888,410
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This certification is in accordance with the provisions of G. L. Chapter 71, §16B½, as amended. The unencumbered funds certified above in excess of five percent of the operating budget and budgeted capital costs for the succeeding fiscal year, must be applied to reduce the current fiscal year's assessment. For your district, this excess amount equals \$ 0.

This certification letter will also be e-mailed to the school superintendent, the board of selectmen in each member town and the city council in each member city immediately upon approval, provided an e-mail address is reported in DLS' Local Officials Directory. Please forward to other officials that you deem appropriate.

Sincerely,
 Gerard D. Perry