DATE: November 13, 2017

TO: Dr. Liz Zielinski, Superintendent of Schools
   King Philip Regional School Committee

FROM: Larry Azer, Director of Finance & Operations

RE: Joint Meeting with Member Towns

Per the attached letter from the member towns, the attached information will be shared at the joint meeting scheduled for November 28th:

1. Budget template showing the progression of requirements over a five-year period:
   a. Three previous years of budgeted and actual expenditures (FY 2015, 2016 & 2017)
   b. Current year budget (FY 2018)
   c. Proposed year budget (FY 2019) (not available yet)

2. Impact of FY 2018 budget cuts (already presented to KPRSC)

3. How certified E+D will be applied to the FY 2018 budget (presented to KPRSC tonight) and what the intent may be for FY 2019 (to be determined)

Please let me know if you have any questions regarding this matter. Thank you.
KP Prep Meeting #2 Recap

On 11 October, municipal representatives from Plainville, Norfolk and Wrentham met for a second time to develop an improved approach for collaboratively meeting the challenges as it regards the King Philip Regional School District (KPRSD) budget for FY19. Representatives included Norfolk (Jim Lehan, BOS; Jack Hathaway, TA), Plainville (Rob Rose, BOS; Brian Kelly, FINCOM Chair; Jennifer Thompson, TA), and Wrentham (Jerry McGovern, BOS; Andrea Sweed, FINCOM Chair; Karen Jelloe, Finance Director; and Jim Anderson, TA).

This was the second meeting of this municipal group. The intent is to have a third meeting in early November with the KPRSD School Committee and Administration. The 11 October discussion, summarized below, serves as a prelude to the meeting with KPRSD.

The discussion occurred in three parts. Within the first part each town provided an initial indication of a target budgeting number for their FY19 KPRSD assessment. Collectively the group focused on a 3% increase to each assessment as that is the approximate increase that will be given to all municipal departments to prepare their FY19 budgets. At a 3% increase, the respective increase from each town equates to:

- Plainville - + $167K
- Norfolk - + $268K
- Wrentham - + $284K
- Total - + $719K

It was noted that the FY18 Town Assessment Calculation Sheet dated 7/20/17 and provided to the towns in an August 23, 2017 KPRSD letter shows the FY18 budget at $31,397, 584, which is an increase of $987K over FY17. Thus, A 3% increase to KP’s FY18 budget would be $941K. As such, the total towns increase noted above would be within $222K of a 3% budget increase (prior to MLC impacts).

The second part of the discussion focused on potential recommendations to be discussed with the KPRSD school committee and administration that could provide improved clarity and understanding of the budget during the preparation process. Six recommendations were discussed. They are:

1. A simplified budget template that shows the progression of requirements over a five year period. The template is provided as a separate attachment. The five year period represents:

   - Three past budget years with budgeted numbers and actual expenditure numbers
   - Current FY budgeted numbers in execution
   - Next FY proposed budget numbers.

The purpose of the template is twofold. The first is to provide a consistent, year to year overview, aggregated in one page, of the major expense categories that make up the KP budget. The second purpose is to provide visibility of the trends from budget to actual to execution to planning. The categories shown on the template are proposed. If there are more appropriate categories, that can be adjusted. The primary points are that it fits on one page, becomes consistently used, and provides a five year look with three years of actuals.
2. SPED – In the annual budget presentations that the KPRSD Superintendent provides there is a slide that shows “Special Education Program Enrollments by Fiscal Year and by Numbers of Students”. This slide usually goes back for 10 years and shows a breakdown by Out of District, In District, and In District Not Specialized. Town representatives asked that this slide be modified to show budgeted number of SPED students and actual number of SPED students for each year, within the breakdown of each of the three categories (Out of District, In District, and In District Not Specialized). Town representatives would also like to see the associated costs and differential between budgeted and actual. As with the template described above, modifying the SPED slide would provide improved clarity as it relates to trends and forecasting, as well as impacts to the budget over a given length of time.

3. Town representative would like to see a follow-on slide to the SPED slide described above that includes both SPED and Regular Education students that provides clarity to the total cost of and trends of budgeted students and actual students be included in the retrospective.

4. The last budget briefing posted on the KP web site is dated 25 May 2017 and shows the cuts and actions necessary to get to a 3%/4% budget. For the next budget prep meeting which is expected to be with KPRSD, the town representatives would like to see a detailed revised presentation that maps the cuts and actions depicted in the 25 May presentation to what has been executed for FY18.

5. For the next budget prep meeting, the town representatives would like to see a detailed presentation of how certified E&D will be applied to the FY18 operating budget and what the intent may be for FY19.

6. For the next budget prep meeting, the town representatives would like to see a review of all revenue accounts that are generated aside from town assessment.

The third part of the meeting was conducted with representatives from the KP Community Working Group. Dr Zielinski and Mr Azer were also in attendance. During this portion of the meeting, the town representatives reviewed the actions and intents related to the two parts described above, and had a general discussion regarding the way ahead and inter-actions between the towns, KP and the CWG.
<table>
<thead>
<tr>
<th>FY17</th>
<th>BUDGET</th>
<th>ACTUAL</th>
<th>Var</th>
<th>FY18</th>
<th>BUDGET</th>
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<th>Var</th>
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<th>BUDGET</th>
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<th>Var</th>
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<tbody>
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<td><strong>INSTRUCTION</strong></td>
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<td>Regular Salaries</td>
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<td>1,618,732</td>
<td>&lt;0.01%</td>
<td>1,680,938</td>
<td>1,618,732</td>
<td>&lt;0.01%</td>
<td>1,680,938</td>
<td>1,618,732</td>
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<td>&lt;0.01%</td>
<td>2,918,876</td>
<td>2,856,668</td>
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<td>2,918,876</td>
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<td>&lt;0.01%</td>
<td>2,918,876</td>
<td>2,856,668</td>
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<td><strong>Other Areas</strong></td>
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<tr>
<td>Regular Salaries</td>
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<td>1,407,365</td>
<td>&lt;0.01%</td>
<td>1,437,365</td>
<td>1,407,365</td>
<td>&lt;0.01%</td>
<td>1,450,709</td>
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<td>Salaries</td>
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<td>0.94%</td>
<td>4,305,042</td>
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<td>0.94%</td>
<td>4,321,054</td>
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<td>4,337,065</td>
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<td>2,109,716</td>
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<td>2,109,716</td>
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<td>Total</td>
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<td>&lt;0.01%</td>
<td>6,436,770</td>
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<td>6,456,781</td>
<td>6,353,852</td>
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</tbody>
</table>

**INSTRUCTION**

**High School**

Regular Salaries: 1,680,938 (FY17), 1,618,732 (FY18), 1,618,732 (FY19)
Other Salaries: 1,237,938 (FY17), 1,237,938 (FY18), 1,237,938 (FY19)
Total Salaries: 2,918,876 (FY17), 2,856,668 (FY18), 2,856,668 (FY19)

**Other Areas**

Regular Salaries: 1,424,021 (FY17), 1,407,365 (FY18), 1,407,365 (FY19)
Other Salaries: 1,097,206 (FY17), 1,097,206 (FY18), 1,097,206 (FY19)
Total Salaries: 2,521,227 (FY17), 2,504,571 (FY18), 2,504,571 (FY19)

**TOTAL EXPENSES**

Salaries: 4,289,099 (FY17), 4,244,136 (FY18), 4,244,136 (FY19)
DepEd: 2,109,716 (FY17), 2,109,716 (FY18), 2,109,716 (FY19)
Total: 6,398,815 (FY17), 6,353,852 (FY18), 6,353,852 (FY19)
Health Insurance Plan Design

- Lower premiums for district (and employees/retirees)
- **Amount:** $370,000
- **Impact:** Increased deductibles & copays
Circuit Breaker Reserves

- Utilize additional circuit breaker reserve funds
- **Amount:** $300,000
- **Impact:** Diminishes capacity to handle unexpected SpEd placements

Deferred Usage of E+D

- Postpone certain expenditures until E+D is certified and budget can be increased
- **Amount:** $300,000
- **Impact:** Reduces amount of reserve funds available in case of unanticipated needs; Creates “funding cliff” for FY 2019 budget
Technology Upgrades

- Reduction in technology purchases
- **Amount:** $100,000
- **Impact:** Older equipment continues to be used, increasing repair costs; Network connectivity subpar in some areas

Insurance from Attrition

- Health insurance savings from 5 unfilled positions (see later slides)
- **Amount:** $60,000
- **Impact:** No negative impact to operations
### Custodial Staffing

- Reduction in custodial overtime hours and increased usage of facilities rental fee funds

- **Amount:** $151,000

- **Impact:** Less time available for summer cleaning and other maintenance projects; Reduced availability for weekend usage

### Professional Development

- Elimination of training and stipends for work to align with new curriculum frameworks

- **Amount:** $100,000

- **Impact:** Summer work deferred to P.D. days, other work not being done at all, reducing ability to collaborate and align curriculum from K-12 with elementary districts
Athletics Revolving Fund

- Utilize reserve funds for current operations
- **Amount:** $80,000
- **Impact:** Reduces savings eventually needed for replacement of tennis courts and track

Special Education Tuition

- Return four students from out-of-district placements
- **Amount:** $200,000
- **Impact:** No negative impact to budget, but increased demand on staff to meet unique needs of these students
Part-Time Nurse

- Part-time nurse needed to comply with state-mandated SBIRT initiative (Screening, Brief Intervention & Referral to Treatment) not hired
- **Amount:** $47,000
- **Impact:** Non-compliance with unfunded state mandate

Exercise Equipment

- Don’t replace broken treadmill & elliptical
- **Amount:** $14,500
- **Impact:** Less equipment available for use by students, puts off 3-year replacement cycle to update outdated weight room equipment
eRate Revenue

- Savings from utilizing state contracts for technology (internet access)
- **Amount**: $20,000
- **Impact**: No negative impact to operations

Telecommunications

- Savings from utilizing state contracts
- **Amount**: $10,000
- **Impact**: No negative impact to operations
KPMS ELA Textbooks

• Don’t purchase new ELA textbooks at KPMS
• **Amount:** $10,000
• **Impact:** Continue using older textbooks, pushing off replacement schedule, leading to lack of alignment with newer frameworks

Athletics & Music Fees

• Increase fees 15% for 2017-18 school year
• **Amount:** $50,000
• **Impact:** Additional cost for families to participate in these activities
Conferences & Workshops

- Provisions in IEC’s not funded
- **Amount:** $24,000
- **Impact:** Eliminates opportunities for professional learning, networking and growth

Parking Fees

- Fees increased 25% for 2017-18 school year
- **Amount:** $16,000
- **Impact:** Additional cost to families
Instructional Technology

- Reduction in force of position
- **Amount:** $60,000 *(includes $17k offset for unemployment costs)*
- **Impact:** Reduced district ability to support technology integration in classrooms

KPHS Assistant Principal

- Reduce AP’s from 3 to 2 at KPHS
- **Amount:** $65,000 *(includes $17k offset for unemployment costs)*
- **Impact:** Loss of centralized 504 plan oversight; Discipline caseload increased by 50% for remaining AP’s; Reduced MCAS analysis & oversight coupled with additional teacher observations & evaluations
DECA Program

- Participation in state conference removed as curriculum requirement (includes travel costs)
- **Amount:** $50,000
- **Impact:** Students will need to fund-raise and/or pay out-of-pocket for state conference

Music Lessons

- Removed as curriculum requirement
- **Amount:** $50,000
- **Impact:** Students can pay out-of-pocket if they choose to participate in lessons
KPMS Unified Arts Teacher

- Retirement left unfilled
- **Amount:** $62,000
- **Impact:** Loss of 30 instructional sections of STEM, impacting transition to new science curriculum frameworks and leading to trimester schedule instead of quarters, adding to administration workload

KPMS Grade 8 ELA Teacher

- Retirement left unfilled
- **Amount:** $62,000
- **Impact:** Loss of 4 class sections which increased class sizes; Loss of 7th & 8th grade reading support program
KPHS Business Teacher

- Vacant position left unfilled
- **Amount:** $45,000
- **Impact:** 350 students moved to other classes, leading to reduction in academic support and increased study halls

Questions
DATE: NOVEMBER 13, 2017

TO: DR. LIZ ZIELINSKI, SUPERINTENDENT OF SCHOOLS
    KING PHILIP REGIONAL SCHOOL COMMITTEE

FROM: LARRY AZER, DIRECTOR OF FINANCE & OPERATIONS

RE: REVISED FY 2018 BUDGET

Now that the FY 2017 Excess & Deficiency (E+D) funds have been certified at $941,788 we can reinstate the items deferred from the budget last spring, which are as follows:

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<tr>
<th>Account</th>
<th>Description</th>
<th>Amount</th>
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<tr>
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<td>01.5.1430.00.401.33601</td>
<td>CONTR: LEGAL NEGOTIATIONS</td>
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<td>01.5.1430.00.401.33602</td>
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<td>01.5.2210.31.501.31700</td>
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<td>01.5.2210.31.515.38000</td>
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<tr>
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<td>SMALL EQUIP: 504</td>
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<td><strong>TOTALS</strong></td>
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To this end, we recommend that you adopt a revised FY 2018 budget of $33,886,835 where the member town assessments remain the same. A successful vote will begin the 45-day window for the member towns to act upon this revised budget. Should a town let the 45-day expire with no action, the revised budget is considered approved.

**Motion:** Move to adopt a revised FY 2018 budget of $33,886,835 with the following member town assessments: Norfolk $8,944,597; Plainville $6,145,512; and Wrentham $10,332,921.

Please let me know if you have any questions. Thank you for your consideration of this matter.
Azer, Larry

From: dlssupport@dor.state.ma.us
Sent: Friday, November 10, 2017 12:00 PM
To: bos@wrentham.ma.us; jthompson@plainville.ma.us; dproctor@plainville.ma.us; lpacella@wrentham.ma.us; kwisell-ford@wrentham.ma.us; lehan@virtualnorfolk.org; Martin, Ann-marie; camerona@wrentham.k12.ma.us; draiche@plainville.mec.edu; Meichelbeck, Joseph; Zielinski, Elizabeth; Azer, Larry; dlsitgroup@dor.state.ma.us
Cc: guzmanda@dor.state.ma.us
Subject: [BULK] EXCESS AND DEFICIENCY - King Philip
Attachments: E&D Calculation Forms.xlsx 2017 King Phillip

Massachusetts Department of Revenue Division of Local Services

Christopher C. Harding, Commissioner

Sean R. Cronin, Senior Deputy Commissioner of Local Services

King Philip
11/10/2017

Re: EXCESS AND DEFICIENCY - King Philip

Based upon the unaudited balance sheet submitted, I hereby certify that the amount of excess and deficiency or "E & D" as of July 1, 2017 for King Philip is:

General Fund $941,788.00

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 $0.00.

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

Mary Jane Handy

Director of Accounts
Massachusetts Department of Revenue