

## TOWN MEETING NOTES FOR THE CITIZENS OF BUCKLAND MOHAWK TRAIL REGIONAL SCHOOL DISTRICT WARRANTS

### ARTICLES 7 and 8: COMBINED MOHAWK OPERATING ASSESSMENT

It is the opinion of the School Committee, its legal counsel, and legal professionals we have consulted within the Mass. Department of Elementary and Secondary Education (DESE) that the operating budget warrant **may not be split into separate parts** and that a “No” vote on either portion will be considered a “No” vote on the total operating assessment. **A School Committee Representative will therefore move to consolidate these two warrants into a single warrant covering the Town’s total operating assessment, as has been done in prior years.**

### The TOTAL Mohawk Operating Budget for FY17

The Mohawk Trail Regional School District School Committee has proposed a total operating budget of **\$18,975,914**, which is a **3.3% (\$611,815) increase** over FY16. Buckland’s **total** assessment (covering Pre-K and all other educational programs) is **\$2,130,055**, an **increase of 6.57% (\$131,341)** over the FY16 assessment. The increase in Buckland’s assessment is more than the increase in the total operating budget because state aid to the District is expected to remain relatively flat, leaving more of Mohawk’s operating budget increase to be shouldered solely by Mohawk District Towns.

About 65% of Mohawk’s budget increase comes from anticipated increases in tuition payments to charter schools (as state reimbursement for charter tuition declines) and for the education of special needs students who require programs beyond the capabilities of the District. The School Committee voted to use a total of \$1,077,183 from the District’s revolving funds and Excess & Deficiency Account (essentially a “rainy day” savings account) to help reduce Town assessments. This will bring Mohawk’s financial reserves to the lowest level since FY 2009.

### What is Mohawk Doing to Address Issues of Long-Term Sustainability?

- The Mohawk School Committee has formed a strategic planning task force (Mohawk’s BEST – Building Education, Sustainability and Trust) that includes representatives from every District Town. BEST has been meeting weekly since late February with the goal of finding ways to ensure the long-term viability of the Mohawk District and ease the increasing burdens on member Towns.
- BEST subcommittees are analyzing educational programming, facilities and finance, grants and revenues, and transportation, and other critical factors in an effort to identify ways the District can maintain its high educational standing at a cost that is affordable to Towns.
- BEST will present final proposals to member Towns by late fall 2016. However, there is no “magic bullet” that will easily and quickly resolve sustainability issues. What is needed is a PLAN and a commitment by the District and District Towns to change the status quo. **BEST needs community ideas, feedback and participation.**
- Town-based “sustainability” initiatives are also underway in Heath and Colrain and will be discussed by Buckland School Committee representatives during Town Meeting.

## Additional Mohawk Budget Analysis

The discussion below addresses areas of the FY 17 **total** Mohawk operating budget, focusing on areas where there are anticipated increases or decreases of 5% or more. (See related charts at the end of this memo.)

### Total Budget by Building/Function (Chart A)

- **District-Wide Operations** - This includes expenses for certain services shared by the Mohawk and Hawlemont Districts. The allocation of these costs is determined by a cost-sharing agreement between the two districts, with Mohawk paying 88.7% and Hawlemont paying 11.3% of these costs. District-Wide expenses for FY17 are budgeted to **increase by 7.6% (\$102,425)**, primarily because of increased costs for required SPED services and transportation.
- **Buckland Shelburne Elementary** - The total budget for the Buckland Shelburne Elementary School is budgeted to **increase by \$208,218 (7.6%)**. This increase is discussed further below.

### Mohawk Middle/High School Budget (Chart B)

(Note: Operating costs for the Mohawk Middle and High School are shared by all eight Grade 7-12 District Towns.)

- **Operations** - This line item includes costs related to the operation of the building's physical plant, such as utilities and building/grounds maintenance. These costs are budgeted to **decrease by 5.7% (-\$39,378)** largely because of anticipated reductions in heating costs.
- **Student Support Services** - These costs, which include such areas as athletics, nursing and food service, are budgeted to **decrease by 11.9% (-\$42,425)** due largely to a decrease in nursing staff, a reduction in Athletic Director salaries, and a reduction in the cost of paying umpires/referees at athletic events (because of success in securing grant funding to cover a portion of these costs).
- **Technology** - These costs include hardware and software used for instructional purposes in the school. For FY17, these costs are budgeted to **decrease by 5.9% (-\$6,625)**, reflecting primarily a decision to try to raise funds through "crowd-sourcing" and/or grants to fund major hardware purchases.
- **Tuition Expense** - These include tuition paid by the District for Middle School/High School Charter, Choice and out-of-district Special Education students. These costs are expected to **increase by 30.0% (\$366,469)**, primarily because of reduced reimbursements from the state for tuition paid by the District for charter students and an increase in out-of-district SPED tuition costs.

## **Buckland/Shelburne Elementary School Budget**

(NOTE: Operating costs for BSE and all other elementary schools are shared by all six Grade pre-K to 6 District Towns, not simply Buckland and Shelburne.)

- **Instructional** – This line item includes primarily teacher salaries and costs related to classroom instruction. Expenses for FY17 are budgeted to **increase by 11.5% (\$179,596)** reflecting increased staffing, mostly hired in FY 16 and carried into FY 17 for pre-K teachers (higher than expected pre-K enrollment) and required SPED personnel.
- **Benefits/Insurance** – This line item is expected to increase by 5.7% (\$38,080) reflecting the increase in instructional staff.
- **Student Support Services** – As at Mohawk, these costs include such areas as nursing and food service. The increase of **17.2% (\$8,661)** reflects the potential deficit associated with providing food services at BSE.
- **Technology**– These costs include hardware and software used for instructional purposes in the school. For FY17, these costs are budget to **decrease by 25.3% (-\$13,610)**, reflecting primarily (as at Mohawk) the decision to try to raise funds through “crowd-sourcing” and/or grants to fund major hardware purchases.

## **ARTICLE 10 – Amendment to the Mohawk Regional Agreement**

The Mohawk District has proposed three amendments to the Mohawk District Regional Agreement. Because of a delay in the legal review of two of the three amendments, this is the only one being voted on at this Annual Town Meeting. The other two will be voted on at a Special Town Meeting set for **Monday, May 16**.

Currently, in order for any proposed Amendment to the Regional Agreement to become effective, it must be approved unanimously by all Member Towns, with approval being a majority vote at a Town Meeting. This proposed Amendment, to be effective as of July 1, 2016, would permit Amendments to pass upon an affirmative vote of 2/3 of District Towns. **There is one important exception.** Any amendment that requires closure of a District school must be approved by the Town (or Towns) whose school(s) would be closed, i.e., that Town (or Towns) would have to be among the 2/3 majority of Towns voting to approve the amendment. If an affected Town votes against the amendment, the amendment would fail.

## **ARTICLE 11 – Borrowing Related to Capital Projects at Buckland/Shelburne Elementary School**

The District is requesting that member Towns authorize the borrowing of **up to \$295,292** to complete identified capital projects at BSE. The term of the loan is expected to be five years, and payments will commence in FY 18. The largest portion of this work (totaling approximately \$200,000) involves asbestos abatement and the replacement of asbestos floor tiles in classrooms and offices. The balance is for the repair/repainting of brick pilasters on the north side of the building, as well as the repair of cracked asphalt in front of the building.

Buckland voters approved a significantly larger borrowing for BSE capital projects at the 2015 Annual Town Meeting, however the Town of Shelburne voted down that request.

Since then, the Mohawk Building Subcommittee has worked with Town representatives from both Buckland and Shelburne to develop this revised borrowing request, which addresses only the most critical capital issues.

CHART A				
Total Budget by Building/Function	FY16 Total	FY17 Total	Net Change	% Change
District-Wide Operations	\$1,342,210	\$1,444,635	\$102,425	7.6%
District-Wide Central Office	\$1,244,473	\$1,263,755	\$19,282	1.5%
HS/MS (see detail Chart B)	\$8,004,950	\$8,199,024	\$194,074	2.4%
BSE (see detail Chart C)	\$2,750,153	\$2,958,371	\$208,218	7.6%
Other Elementary	\$5,022,313	\$5,110,129	\$87,816	1.7%
<b>TOTAL</b>	<b>\$18,364,099</b>	<b>\$18,975,914</b>	<b>\$611,815</b>	<b>3.3%</b>
CHART B				
	FY15 Total	FY16 Total	Net Change	% Change
<b>Mohawk Middle/High School</b>				
Instructional	\$4,202,696	\$4,085,732	-\$116,964	-2.8%
Operations	686,285	\$646,907	-\$39,378	-5.7%
Benefits/Insurance	1,393,915	\$1,426,454	\$32,539	2.3%
Student Support Services	355,915	\$313,490	-\$42,425	-11.9%
Technology	112,762	\$106,137	-\$6,625	-5.9%
Transportation	32,723	\$33,181	\$458	1.4%
Tuition Expense*	1,220,654	\$1,587,123	\$366,469	30.0%
<b>TOTAL</b>	<b>\$8,004,950</b>	<b>\$8,199,024</b>	<b>\$194,074</b>	<b>2.4%</b>
CHART C				
	FY15 Total	FY16 Total	Net Change	% Change
<b>Buckland Shelburne Elementary</b>				
Instructional	\$1,560,485	\$1,740,081	\$179,596	11.5%
Operations	225,376	\$222,211	-\$3,165	-1.4%
Benefits/Insurance	666,596	\$704,676	\$38,080	5.7%
Student Support Services	50,211	\$58,872	\$8,661	17.2%
Technology	53,814	\$40,204	-\$13,610	-25.3%
Transportation	\$0	\$0	\$0	0.0%
Tuition Expense*	193,671	\$192,327	-\$1,344	-0.7%
<b>TOTAL</b>	<b>\$2,750,153</b>	<b>\$2,958,371</b>	<b>\$208,218</b>	<b>7.6%</b>