



Lexington Public Schools

146 Maple Street ❖ Lexington, Massachusetts 02420

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To: Paul Ash, Superintendent
 From: Mary Ellen Dunn, Assistant Superintendent for Finance and Business
 Date: February 10, 2015 (corrected)
 Re: FY 16 School Committee operating request for 2015 Annual Town Meeting.

On February 10, 2015, the School Committee must take a vote to approve their operating request, fees, capital request, and other matters related to the budget for the 2015 Annual Town Meeting. The motions are provided below and attached.

The adjusted School Committee operating budget request for FY 2016 is as follows:

Funding Sources	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 15 Appropriation	FY 2016 Request	Dollar Increase	Percent Increase
Tax Levy	\$ 70,362,940	\$ 74,403,031	\$ 78,907,700	\$ 86,165,931	\$ 91,558,316	\$ 5,392,385	6.26%
Avalon Bay Mitigation Fund	\$ 250,000	\$ 250,000	\$ 250,000	\$ 49,088	\$ -	\$ (49,088)	-100.00%
Enterprise Funds (indirects)							
Fees & Charges	\$ 576,164	\$ 272,741	\$ 807,116	\$ 408,910	\$ 502,000	\$ 93,090	22.77%
Total 1100 Lexington Public Schools	\$ 71,189,104	\$ 74,925,772	\$ 79,964,816	\$ 86,623,929	\$ 92,060,316	\$ 5,436,387	6.28%

Appropriation Summary	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 15 Appropriation	FY 2016 Request	Dollar Increase	Percent Increase
Salary and Wages	\$ 60,874,480	\$ 64,117,953	\$ 68,264,740	\$ 73,496,851	\$ 78,675,324	\$ 5,178,473	7.05%
Expenses	\$ 10,314,624	\$ 10,807,819	\$ 11,700,076	\$ 13,127,078	\$ 13,384,992	\$ 257,914	1.96%
Total 1100 Lexington Public Schools	\$ 71,189,104	\$ 74,925,772	\$ 79,964,816	\$ 86,623,929	\$ 92,060,316	\$ 5,436,387	6.28%

* Amounts show are general fund only and does not reflect spending supported by Labbb Credit, Circuit Breaker Funds, Revolving Funds, or local/state/federal grant funds

Transfer to Unclassified (Health, Medicare, Workers Comp) \$ 623,783

Unallocated from Revenue Allocation Model \$ 1,314,657

1. Motion to transfer \$623,783 from the Revenue Allocation to Unclassified, for the purposes of health insurance, Medicare and workers compensation for new positions.

The School Department budgets for estimated costs associated with each position added/removed from its previous year's budgeted FTE amount. This transfer, to the Unclassified Account, includes estimated costs associated with health insurance, dental insurance, workers compensation, and Medicare. Health and Dental Insurance costs are calculated based on a fixed per FTE formula provided by the Town annually (pro-rated for fractional FTEs added). Worker's Compensation and Medicare costs are calculated using a percentage of the total salary for the position being added/removed. Medicare costs are 1.45% of the total position cost and workers compensation is 6.1% for every \$100 of the total position cost.

2. Motion to Approve the Lexington Public School Recommended Operating Budget for FY 2016 in the Amount of \$92,060,316 and associated fees.
3. Motion to request Town Meeting, pursuant to Chapter 44, Section 53E½; re-authorize the use of the Transportation Revolving Fund, and to authorize to expend amounts from such revolving fund accounts, and to determine whether the maximum amounts that may be expended from such revolving fund accounts in FY 2016 shall be the \$850,000.

The operating budget request assumes the following fees:

General Fund Fees

Program	FY15 Fee	FY16 Proposed Fee	Reason for Change	Revenue Collected
Transcript Fees:	\$6.00 per official transcript for each college application requested.	\$6 per official transcript for each college application requested.	No Change	\$28,317 Three year average Offsets the cost of Asst. Registrar at High School
Student Parking Fees:	\$175 per semester	\$175 per semester	No Change	\$16,710 Three year average Offsets the cost of campus monitor plowing, and traffic management.

Special Revenue Funds: Revolving Funds

Program	FY15 Fee	FY16 Proposed Fee	Reason for Change	Revenue Collected
Field Trips and Extracurricular Activities	At Cost	At Cost	No Change	Student Activities: Costs are calculated for total cost of providing experience divided by the number of students attending.
Preschool Tuition	10 Hr/week program: \$3,240 15 Hr/week program: \$4,860 Lunch Bunch: \$1300 per year (1 hr – 4 day per week) Program will limit financial assistance slots available	10 Hr/week program: \$3,240 15 Hr/week program: \$4,860 Lunch Bunch: \$1300 per year (1 hr – 4 day per week) Program will limit financial assistance slots available	The program is seeing a rise in the number of parents of typical children seeking financial assistance. In addition, the program rate needs to stay current with recently negotiated labor contracts for employees within this program.	\$100,000 Revolving Fund: Offsets the cost of program staff and supplies and materials for typical students. It does not fund the Special Education component of this program.

FY16 School Committee Operating request for 2015 Annual Town Meeting

Program	FY15 Fee	FY16 Proposed Fee	Reason for Change	Revenue Collected
Athletics	<p>High School:</p> <ul style="list-style-type: none"> ▪ \$325.00 1st sport per student, ▪ \$325.00 2nd sport per student, ▪ 3rd sport free. \$650 maximum per high school only family (LHS Family Plan). ▪ All home game admissions free except MIAA tournament games and Thanksgiving Football Games <p>Middle School:</p> <ul style="list-style-type: none"> ▪ \$150.00 per varsity sport. ▪ \$125.00 per junior varsity sport. ▪ \$75.00 per session for intramural programs ▪ \$300 MS Family Plan Only ▪ \$850 maximum per family (LHS & MS Family Plan). <p>Before School Sports:</p> <ul style="list-style-type: none"> ▪ \$75 per session, or ▪ \$200 for three sessions ▪ FAMILY PLAN: discontinued. 	<p>High School:</p> <ul style="list-style-type: none"> ▪ \$325.00 1st sport per student, ▪ \$325.00 2nd sport per student, ▪ 3rd sport free. \$650 maximum per high school only family (LHS Family Plan). ▪ All home game admissions free except MIAA tournament games and Thanksgiving Football Games <p>Middle School:</p> <ul style="list-style-type: none"> ▪ \$150.00 per varsity sport. ▪ \$125.00 per junior varsity sport. ▪ \$75.00 per session for intramural programs ▪ \$300 MS Family Plan Only ▪ \$850 maximum per family (LHS & MS Family Plan). <p>Before School Sports:</p> <ul style="list-style-type: none"> ▪ \$75 per session, or ▪ \$200 for three sessions ▪ FAMILY PLAN: discontinued. 	No Change	\$450,000 Revolving Fund: Offsets the cost of staff, equipment, transportation, and other program needs
Transportation	\$300.00 (due by May 16)	\$300.00 (due by May 16)	No Change	\$850,000 Revolving Fund: Offsets the cost of program staff and supplies and materials for riders not eligible for Town paid transportation.
Graduated Fee Schedule	\$500.00 (due by May 16 – July 1)	\$500.00 (due by May 16 – July 1)	Incremental cost increase per seat based on yearly Transportation contract	
After School Bus (Elementary ONLY)	Full Cost/Seat \$745 pp (due after July 1 st)	Full Cost/Seat TBD (due after July 1 st)	No Change	
LXPRESS Bus	\$60.00	No Change	No Change	
	\$50.00	No Change	No Change	

FY16 School Committee Operating request for 2015 Annual Town Meeting

Program	FY15 Fee	FY16 Proposed Fee	Reason for Change	Revenue Collected
<p>School Lunch</p>	<p>No Change Breakfast - \$2.00 Lunch – 3.25</p>	<p>Proposed Price Increase for Student and Adult Lunches:</p> <p>Student Lunch price from \$3.25 to \$3:50 per lunch.</p> <p>Adult lunch price increased from \$4.25 to \$4.50</p> <p>Breakfast price would remain at the same price \$2:00 per breakfast.</p>	<p>The district would like to request a lunch price increase for the elementary school, middle school, high school and adults beginning in FY16 and beyond. The lunch price would increase from \$3.25 to \$3.50 for students and from \$4.25 to \$4.50 for adults.</p> <p>Justification is as follows for this request:</p> <ol style="list-style-type: none"> 1. Increasing cost of food prices in fruits, vegetable and meats. Meat commodity prices are slated to increase by 16% next year. 2. Capital Request for \$85,000 for LHS dishwasher from Capital Fund. 3. Eliminate of Styrofoam trays from program. This increase will offset the increased cost of compostable trays to be used throughout the district. 4. Due to the requirements of Healthy Hunger Free Kids Act, each meal is mandated to have a fruit or vegetable which increases the cost of a meal. 5. In order to attract and retain talented and knowledgeable staff, we need competitive wages for new employees just starting their careers in Food Service. In addition, the new minimum wage law in Massachusetts will increase wages to \$11.00 per hour by the year 2017. 6. Additional revenue can assist in covering costs for aging equipment that need replacement in the district on a yearly basis. 	<p>\$2,000,000 Revolving Fund: All revenue is held by the School Department. We currently have a Point of Sale system to remove cash from our schools and improve our reporting of sales for meals and a la carte items.</p>

Article {#TBD} - Establish and Continue Departmental Revolving Funds

A revolving fund established under the provisions of Massachusetts General Laws Chapter 44, Section 53E½ must be authorized annually by vote of the Town Meeting. The fund is credited with only the departmental receipts received in connection with the programs supported by such revolving fund, and expenditures may be made from the revolving fund without further appropriation.

The School Committee annually submits a maximum revenue expenditure request for the Transportation Revolving Fund of \$830,000. This amount is derived from the maximum potential receipts that could be generated should ridership increase.

The district anticipates that ridership will continue to grow. As a result the request has been made to increase the \$830,000 annual expenditure cap to \$850,000 for FY16. The district anticipates expending approximately \$840,000 or higher from the revolving fund in FY15. If ridership continues to grow past the projected budget in which ridership is projected to be the same in FY16 as in FY15, an additional request to change the cap will need to be made.

Summary of Ridership Change:

In FY15 the district has experienced an increase of over 306 fee based riders (1,619 to 1,925). This increase represents an additional \$107,000 in revenue. In addition, the district has experienced an overall ridership increase of 337 riders between FY14 and FY15. Other riders who are part of the overall increase are Town-paid or Town Subsidized riders that include Financial Assistance, Homeless, and distance eligible riders.