

Town of Concord
Joint Concord and Carlisle Finance Committee
AGENDA

October 24, 2024, at 7:30 PM

Town House, 22 Monument Sq., 2nd Fl. Select Board Conference Room

Notice of public meeting as required by M.G.L. Chpt.30A §18-28

HYBRID IN-PERSON AND VIRTUAL MEETING VIA ZOOM

Join the meeting: <https://us02web.zoom.us/j/86085935479?pwd=kTglZEltj3OrbH7xbZ08mX2hHCajTq.1>

Meeting ID: 860 8593 5479 Passcode: 350249 Dial in Toll-Free: 833-548-0282

Please be advised that this open meeting is being broadcast live via Zoom and MMN and recorded for playback online, video-on-demand viewing at <https://concordma.gov/2409/Government>. The listings of matters are those reasonably anticipated by the Chair 48 hours before said meeting, which may be discussed at the meeting. Not all items listed may be addressed. Items may be taken out of order and at times differ from those listed below. Other items not listed may also be brought up for discussion to the extent permitted by law. **Video or call will be muted upon joining meeting please use the "raise your hand" feature in the zoom meeting to ask to speak. ATTENDEES ARE REMINDED THAT BY ATTENDING THIS MEETING THAT YOU CONSENT TO YOUR LIKENESS AND AUDIO BEING USED AND REBROADCAST BY MMN.**

- 7:30 PM **1. Call to Order**
- 7:30 PM **2. Introductions and Purpose of Joint Meeting**
- 7:40 PM **3. Finance Committee's FY26 Budget Process**
 - Discuss Concord/Carlisle Regional High School District Response to the Finance Committee FY26 Guideline Information Request Letter
- 8:00 PM **4. Finance Committee's FY26 Budget Process**
 - Discussion: Joint Concord/Carlisle guideline for CCHS for FY26
- 8:30 PM **5. Recap of Action Items/ Adjournment**

UPCOMING MEETINGS

Next Meeting: **Thursday, November 7, 24, 2024 @ 6:30 PM (Concord Finance Committee)**



Concord Finance Committee
AGENDA ACTION REQUEST
October 24, 2024

1

Call to Order

Requested by: FC Chair

Action Sought: Open Meeting

Proposed Motion(s)

None anticipated.

Additional Information

Board Action

<i>Motion</i>	<i>Second</i>	<i>In favor</i>	<i>Opposed</i>	<i>Disposition</i>



Concord Finance Committee
AGENDA ACTION REQUEST

October 24, 2024

2

Introductions and Purpose of Joint Meeting

Concord Finance Committee & Carlisle Finance Committee

Requested by: FC Chair

Action Sought: to provide update

Proposed Motion(s)

None anticipated.

Additional Information

Board Action

<i>Motion</i>	<i>Second</i>	<i>In favor</i>	<i>Opposed</i>	<i>Disposition</i>



Concord Finance Committee
AGENDA ACTION REQUEST

October 24, 2024

3

Finance Committee's FY26 Budget Process

Discuss Concord/Carlisle Regional High School District Response to the Finance Committee FY26 Guideline Information Request Letter

Requested by: FC Chair

Action Sought: discussion dependent

Proposed Motion(s)

None anticipated.

Additional Information

The Finance Committee approved the FY26 Guidelines Information Request Letter to the Chairs of the Concord School Committee and Concord-Carlisle Regional School District Committee at their meeting on August 19, 2024, and issued on August 20, 2024 (attached).

Tonight's meeting is to discuss their response (attached) in anticipation of the Finance Committee issuing FY26 Budget Guidelines.

Board Action

<i>Motion</i>	<i>Second</i>	<i>In favor</i>	<i>Opposed</i>	<i>Disposition</i>



Town of Concord

Finance Committee
22 Monument Square
Concord, Massachusetts 01742-0535

To: Carrie Rankin, Chair, Concord School Committee
Julie Viola, Chair, Concord-Carlisle Regional School District Committee

From: Lyndsey Lis, Chair, Guidelines Subcommittee, Concord Finance Committee

Cc: Dr. Laurie Hunter, Superintendent, Concord Public Schools
Robert Conry, Assistant Superintendent of Finance & Operations, Concord Public Schools
Mary Hartman, Chair, Concord Select Board
Eric Dahlberg, Chair, Concord Finance Committee
James Catachio, Chair, Carlisle Finance Committee
Anthony Ansaldi, Concord Finance Director

Date: Tuesday, August 20, 2024

Re: Annual Budget Data Request – FY2026 Guidelines

Following up on our email of July 23rd, this communication serves as our formal information request for the fiscal year 2026 (FY26) budget cycle. As in previous years, your timely response to this request will provide us with critical inputs for our work to set budget guidelines and establish a five-year tax projection.

We request your response at least one week before our October meeting (tentatively scheduled for Thursday, October 24th) and invite you to attend that meeting to discuss the information you have provided.

We have heard your feedback regarding the challenges you may face in obtaining and sharing certain data. We pledge to work collaboratively with you to identify alternative data where possible, so long as they provide us with the inputs we need. We welcome your clarifying questions and will set aside time at our September meeting (tentatively scheduled for Thursday, September 26th) if you would like to discuss and clarify our request.

Please provide the following inputs for both districts (unless otherwise noted):

#	Input	Details
1	Overall spending	Please provide five-year projections of spending under current service levels. Please provide overall spending both in total dollars and on a per student basis. Please also include spending projections for each of the following categories: human capital, special education, transportation, and other noteworthy items (e.g., savings from the new middle school). Additionally, please provide actual spending on a per student basis for the last five years.
2	Spending levels	Please highlight any programs and services for which you are planning to change service levels in the next five years.
3	FY24 and FY25 budget updates	Please identify major variations ($\pm 10\%$) in actual spend versus planned, as well as the status of carry forward fund balances (e.g., E&D, circuit breaker, revolving accounts, etc.) for the previous and current fiscal years.
4	Top issues	Please identify your top 3-5 strategic issues, challenges, and/or opportunities and your plan for addressing/managing them in FY26 and future years.
5	Capital program	Please provide information on your 5-year capital plan and highlight any items that might require excluded debt.
6	Student enrollment	Please provide information on the impact of enrollment changes over the next five years and the impact on spending. This includes overall student enrollment and, for CCRSD, Concord and Carlisle's share of enrollment.
7	Education reform and mandates	Please provide information on anticipated reforms or mandates and their impact on spending.
8	OPEB (for CCRSD)	Please provide the funding status of the pension liability.
9	Key performance indicators	Please provide metrics that you use to measure success and actual performance on those metrics for the last five years.
10	Any additional information	Please provide other information that you believe may be helpful to the deliberation of this year's guideline recommendation.

CONCORD PUBLIC SCHOOLS CONCORD-CARLISLE REGIONAL SCHOOL DISTRICT

120 MERIAM ROAD CONCORD, MA 01742 PHONE: 978.318.1500 FAX: 978.318.1537 www.concordps.org

To: Concord Finance Committee
From: Robert Conry, Assistant Superintendent of Finance & Operations
Cc: Dr. Laurie Hunter, Superintendent of Schools
Date: October 2, 2024
RE: CPS / CCRSD Annual Budget Data Request – FY26 Guideline

I am writing to provide the information requested in the Concord Finance Committee's *Annual Guidelines Request Letter*.

ZERO BASED APPROACH

Concord Public Schools (CPS) and Concord-Carlisle Regional School District (CCRSD) use a zero based budget process that is strongly endorsed by the School Committee. The zero-based approach means that last year's budget is not carried over from year to year, rather the budget is built from scratch each year, based on the detailed needs identified in each school, with the operational infrastructure to support it.

Relevant data points are used to analyze proposals for incremental resources, whether it be staffing, or other resources, such as materials, services, or equipment. The Leadership Teams works together to prioritize the various requests, and overall budget capacity is also considered in determining what additional resources can be included in the budget. Ultimately the Superintendent makes the final decision on what to include in the Preliminary Budget proposal to the School Committees.

The Preliminary Budget presentation is scheduled to occur at the [insert date] School Committee meeting.

Strategic Priorities

The District recently completed a comprehensive and inclusive process to develop a new five-year Strategic Plan. This included members of district administration, teachers, students, parents, school committee members, and town officials. The current plan is linked [here](#) for your reference.

The districts' priorities are directly connected to those identified in the 2023-2028 Strategic Plan. The main objectives reflect the following:

- **Multiple Support to Students:** A continuum of intensive programs are now in place to better serve students with more significant disabilities while training, support, and integration are fostered. The expansion of regular education supports is ongoing through a tiered system in literacy, math, and social and emotional needs.
- **Mental Wellness:** Social and emotional curriculum are being updated and expanded to further student skills, especially following the pandemic's impact. Additionally, a range of services available to struggling students is expanding.

- Cultural Competency: A focus on Diversity, Equity, Inclusion, and Belonging (DEIB) requires extensive training, structures, and leadership. Educational programs to ensure equitable access to learning for all students is required.
- Innovative Environments: Preparation for the new middle school includes professional development toward teaching all students and maximizing the space the building will provide. Additionally, outdoor experiences and settings are a priority as they foster experiential and cooperative learning.

The above priorities and strategic plan initiatives is still being formulated, as we are a few months removed from the end of the planning process. We will review and may incorporate certain priority items with financial impact into the FY25 budget.

FY24 Budget Update

General Funds

A summary of the CCRSD FY24 Year End Budget Status is attached as a separate Exhibit at the back of this packet.

A summary of the CPS FY24 Year End Budget Status is attached as a separate Exhibit at the back of this packet.

The report categories on both reports are aligned with the major DESE Functional Spending Categories; explanations of significant variances (adjustments to the original budget) are provided within the report, below the financial data.

Other Funds

The exhibit also includes information on key revolving funds, and on grant funding received by the district. Competitive grants are highlighted/shaded on the report. The district regularly pursues grant funding opportunities to offset costs of initiatives and curriculum needs throughout our schools.

FY25 Budget Update – Q1

It is very early in the fiscal year, with less than two months of the school year elapsed. At this point in time, certain known variances (deficits) to budget have been identified, and were shared with the School Committee on September 17, 2024 (see links below). District Administration is working to identify offsets to these deficits, and will be sharing updates as the year progresses.

[CCRSD - FY25 Update](#)

[CPS - FY25 Update](#)

Capital Programs

The capital plan is being developed separately, concurrently with the development of the Operating Budget. Detailed plans will be shared with the School Committees, Select Boards, and Town Finance Committees in the coming months. A detailed assessment of Concord Public School buildings, including Ripley, was completed last school year, and will be the foundation for developing the CPS Capital plans going forward. An internal review of capital needs for the Regional School District is being completed as well.

Spending Level Changes

Spending level changes may be required to implement aspects of our district's Strategic Plan. District Administration will work to implement elements of the plan in a thoughtful way, leveraging existing resources where possible, and identifying funding sources for some of the expenses that may be one time in nature, for example, creating additional outdoor learning spaces.

Enrollment Impacts

The most recent NESDEC projections are from last Winter; links to the reports are provided below.

[CCRSD Enrollment Projection - NESDEC \(2023-2024\)](#)
[CPS Enrollment Projection - NESDEC \(2023-2024\)](#)

Updated reports are anticipated in December 2024, and the district is curious to see the projected impact of planned residential housing unit growth on future enrollment levels.

OPEB Funding Status (CCRSD)

June 2023 trust net position is reported below. It is based on the January 1, 2023 actuarial valuation of the Concord-Carlisle Regional School District Other Post-Employment Benefits (OPEB) plan performed by Stone Consulting, Inc., for the reporting period June 30, 2023

CCRSD

OPEB Fund Assets: \$8,601,590

OPEB Liability: \$16,550,643

Funding Ratio: 52%

FY24 investment performance was favorable, with investment earnings of \$1,356,282; added to the FY24 budget contribution of \$425,000, resulted in a year-end balance of \$10,382,872 as of June 30, 2024. *(Note: The \$425,000 was in transit as of fiscal year, having been mailed to the investment manager just before fiscal year end.)*

Annual contributions are incorporated into the annual operating budget, with \$425,000 budgeted in FY25 and planned for the following four years. The contributions are based on a

funding schedule provided by the OPEB audit firm, with a fully funded status projected by FY 2030, assuming normal market returns and no significant changes to staffing or health care plan offerings or structure.

Education Reform and Mandates

The district is supporting homeless students in district, and is receiving grant funding from both the State (\$104/day per student) and Federal government (\$1,000/year per student). The state funding is provided via a supplemental budget bill, and is currently set to expire on December 31, 2024. We remain hopeful for continued funding, and expect supplemental funding to be granted by the state. That said, we will be prepared to respond in the event the funding is discontinued.

The homeless grant funding for Concord Public Schools is projected to be around \$800,000 in FY25, and is being used to support the following roles/needs: Homeless Liaison to Families / Students, eight Instructional Assistants (four each for grades K and 1), ELL Teacher, Sheltered English Immersion (SEI) teacher, a guidance counselor, as well as contract services to support these students.

The homeless grant funding for Concord-Carlisle Regional School District is projected to be around \$90,000 in FY25, and is being used to support tutoring in Reading and Math.

Aside from the impact of the mandate above, the District is not aware of any new reforms or mandates that will impact District spending.

Metrics

The schools have an extensive set of metrics to monitor and evaluate progress. These data points are shared with the School Committees on a regular basis during public meetings. The [2023-2028 Strategic Plan](#) outlines appropriate benchmarks for each strategic initiative that allow us to assess progress.

Additional Information

- Chapter 70 Funding may be positively impacted by higher inflation rates, and also by the [Student Opportunity Act \(SOA\)](#), which provides increased state aid via Chapter 70 funding to address inadequate funding levels built into the previous Foundation Budget formula. FY25 will be fifth year of a seven-year phase-in of this increased funding. The legislation most significantly benefits communities with a high percentage of low income students, but also incorporates updated funding for health care costs, and special education costs; the latter two will benefit all districts across the state. Preliminary FY26 Chapter 70 estimates will be released with the Governor's Budget in mid to late January 2025.
- A detailed example of how Circuit-breaker is calculated is provided on the next page as a reference, in response to questions from the Finance Committee and School Committee on how the C/B funding is determined.

Administration and Finance

Circuit Breaker Threshold and Reimbursement Rates

Funds disbursed through the Circuit Breaker Program are subject to annual legislative appropriation. When fully funded, the program reimburses districts for 75% of costs exceeding the annual per-student claim threshold.

Beginning with implementation of the Student Opportunity Act (SOA), the threshold increases annually by the Foundation Inflation Index and is capped at 4.5%. Per statute (M.G.L. Ch 70 Sect 2), the foundation inflation index rate is defined as the ratio of the current year's third-quarter inflation index to the prior year's third-quarter index. Prior to the SOA, the threshold was calculated as four-times the state average foundation budget per pupil.

Historic Claim Thresholds and Reimbursement Percentages

Services Provided	Reimbursement Percentage for instruction and tuition (year-end claims)	Reimbursement Percentage for out-of-district transportation ¹ (year-end claims)	Claim Threshold	Foundation Inflation Index ²
FY 2004 ³	40.16%	N/A	\$29,320	N/A
FY 2005	75.00%	N/A	\$30,340	N/A
FY 2006	75.00%	N/A	\$31,616	N/A
FY 2007	75.00%	N/A	\$33,700	N/A
FY 2008	72.00%	N/A	\$35,408	N/A
FY 2009	42.34% ⁴	N/A	\$37,328	N/A
FY 2010	43.66% ⁴	N/A	\$38,636	N/A
FY 2011	68.71%	N/A	\$38,028	N/A
FY 2012	74.50%	N/A	\$38,916	N/A
FY 2013	75.00%	N/A	\$40,512	N/A



Services Provided	Reimbursement Percentage for instruction and tuition (year-end claims)	Reimbursement Percentage for out-of-district transportation ¹ (year-end claims)	Claim Threshold	Foundation Inflation Index ²
FY 2014	73.50%	N/A	\$41,408	N/A
FY 2015	75.00%	N/A	\$41,944	N/A
FY 2016	73.16%	N/A	\$42,840	N/A
FY 2017	72.09%	N/A	\$43,094	N/A
FY 2018	74.48%	N/A	\$44,106	N/A
FY 2019	75.00%	N/A	\$45,793	N/A
FY 2020	75.00%	N/A	\$48,352 ⁵	N/A
FY 2021	75.00%	75.00% of 25% of eligible costs	\$46,704 ⁶	1.99%
FY 2022	75.00%	75.00% of 75% of eligible costs	\$47,363	1.41%
FY 2023	75.00%	57.00% of 100% of eligible costs	\$49,494	4.50%
FY 2024	75.00%	57.76%	\$51,721	4.50%
FY 2025	75.00%	44.00%	\$52,419	1.35%

¹ Reimbursement for out-of-district (OOD) transportation was phased into the circuit breaker program over three years with implementation of the Student Opportunity Act (SOA). In FY2021, 25% of claimed OOD transportation costs above the threshold were considered for reimbursement at a rate of 75%. In FY2022, 75% of OOD transportation costs above the threshold were reimbursed at a rate of 75%. In FY 2023, 100% of OOD transportation costs above the threshold were reimbursed at 75%, which reaches the SOA maximum reimbursement.

² The foundation inflation index metric became relevant with passage of the SOA and was not used to calculate the claim threshold prior to FY2021.

³ In FY2004, circuit breaker reimbursed costs in the year services were provided. In FY2005, the program was changed to a true reimbursement program, reimbursing for the previous fiscal year.

⁴ Additional federal funds from the American Recovery and Reinvestment Act (ARRA) were provided to districts outside of the Circuit Breaker program in FY2009 and FY2008.



CONCORD PUBLIC SCHOOLS CONCORD-CARLISLE REGIONAL SCHOOL DISTRICT

120 MERIAM ROAD CONCORD, MA 01742 PHONE 978-318-1500 FAX 978-318-1537 www.concordps.org

To: School Committee, Concord Public Schools

From: Robert Conry, Assistant Superintendent of Finance and Operations

Cc: Dr. Laurie Hunter, Superintendent, Concord Public Schools

Date: October 8, 2024

Subject: FY24 Year End Reports - CPS

Concord Public Schools

The school district finance office has been working closely with the town finance office to reconcile the financial systems of both entities. This process is nearly complete, and at this point, I do not anticipate any adjustments to the school's FY24 financial activity. While the Town has not officially closed FY24, given that we are now in October, and my expectation that any adjustments will be to the town's records, and not the schools, I am moving forward with reporting year-end figures. In the event of any unanticipated changes, I will report back to the School Committee with an update at a future meeting.

General Fund Budget

A general fund budget summary is posted and linked separately on the meeting agenda. Explanations are provided on significant adjustments to the original budget. The overall operating budget \$45,047,176 had an unspent, unencumbered balance of \$2,101 at the end of FY24.

A detailed report on the general fund is provided as a separate attachment summarizing expenses by DESE Function Classifications.

Motion Language

That the Concord School Committee vote to approve the FY24 Year End budget transfers, as presented in the year end summary report.

State and Federal Grant Funds

Grants funds provide an additional funding source for the district. Please see the attached report for a summary of FY24 grant information.

CONCORD PUBLIC SCHOOLS CONCORD-CARLISLE REGIONAL SCHOOL DISTRICT

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Special Revenue Funds (Revolving)

A report on special revenue funds is provided below. The report shows FY24 beginning balances, revenues and expenses, and the ending balance.

Revolving Fund	Beginning Balance	Revenue	Expenses	Ending Balance
Integrated Pre-school	-	189,674	(189,674)	-
School Lunch	205,748	927,870	(952,205)	181,413
Circuit-breaker	571,338	843,050	(783,704)	630,684

The Integrated Pre-school revolving fund revenues are used to offset a portion of the costs to run the pre-school programs. Student who do not have integrated pre-school on their IEP's pay tuition for this program. The majority of the program costs are funded by the budget.

School Lunch continues to maintain a healthy fund balance as of June 30, 2024. The state of Massachusetts is continuing to fund the Universal Free School Lunch program for school districts and students across the state.

Circuit-breaker funds grew slightly over the course of FY24, in part due to the utilization of ESSER funds for budget relief, and use of prior year IDEA grant funds. This fund balance serves as a safety net to cover the costs of unanticipated, unbudgeted out of district placements.

Fiscal Year 2024 Grant Summary

shaded items were competitive grant applications			CPS	CCRS
Grant Name	Grant Purpose	Focus area	FY24 Grant Award	FY24 Grant Award
Title I	Title I, Part A of the federal Elementary and Secondary Education Act (ESEA) provides supplemental resources to local school districts to help provide all children significant opportunity to receive a fair, equitable, and high-quality education, and to close educational achievement gaps.	Close achievement gaps among different subgroups of learners; targeted support for low-income students requiring add'l resources; the district funds tutors from this grant	80,640	26,216
Title II A	Title II, Part A of the federal Elementary and Secondary Education Act (ESEA) provides supplemental resources to school districts to support and facilitate excellent teaching and learning.	Professional development for teachers	27,369	14,836
Title IV	Title IV, Part A of the federal Elementary and Secondary Education Act (ESEA) provides supplemental resources to local school districts to build capacity to help ensure that all students have equitable access to high quality educational experiences.	Can be used for any of Title I and Title IIA purposes, with additional permissible uses; allocated to instructional support staff here	16,080	10,000
IDEA	Overseen by the U.S. Department of Education's Office of Special Education Programs, the purpose of this federal special education entitlement grant program is to provide funds to ensure that eligible students with disabilities receive a free and appropriate public education that includes special education and related services designed to meet their individual needs.	In support of special education students and programs. Like many other districts, CPS applies this to out of district tuitions, for simplicity of administration	552,351	453,415
Early Childhood IDEA	Similar to IDEA, for students aged 3 to 5	CPS allocates support staff / tutors to this grant	15,723	-
METCO	In support of Metco programs and students in districts that have Metco programs	Direct support of Metco program; CPS utilizes these funds for staffing - administration, academic support, and transportation costs	691,347	469,106
METCO REI	Metco Racial Equity Integration grant	Competitive Metco supplemental grant for DEIB initiatives	5,478	11,652
Comprehensive School Health	A competitive grant to enable activities that promote and support healthy school environments	Overseen by Health Services Nurse Chair.		35,000
Financial Literacy	A grant to promote financial literacy among high school students	Program run at CCHS in partnership with 3rd party		3,200
HQIM Grant	High Quality Instructional Materials Competitive Grant	CPS applied for Envisions for Middle School Math	70,045	
SEL & Mental Health	Social Emotional Learning and Mental Health supports		45,000	15,000
MIIA Loss Prevention	A grant provided by CCRSD insurance company to manage risk	Used for safety training in CCRSD, and temperature sensors in CPS (Thoreau 1994 wing)	10,000	7,500
Homeless Support (Core)	State and federal grants to support homeless students	Most of the funding is state grant (\$104/student/day)	631,728	100,651
Chronic Absenteeism	Statewide grant offered to districts that participated in a DESE Survey related to absenteeism	For initiatives intended to reduce absenteeism	10,000	10,000
Total FY24 Grant Awards			2,155,761	1,156,576

**CPS FY24 YEAR END BUDGET REPORT
SUMMARY BY DESE FUNCTION CODE**

FUNCTION	FUNCTION DESCRIPTION	ORIGINAL BUDGET	TRANSFERS & ADJUSTMENTS	ADJUSTED BUDGET	EXPENDITURES	ENCUMBRANCES	BALANCE
1000	District Leadership & Administration	\$ 1,656,120	\$ 26,382	\$ 1,682,502	\$ 1,669,409	\$ 13,092	\$ 1
2000	Instructional Leadership	\$ 35,554,080	\$ 78,470	\$ 35,632,551	\$ 35,618,687	\$ 12,650	\$ 1,214
3000	Other School Services	\$ 3,180,909	\$ 4,049	\$ 3,184,958	\$ 3,150,019	\$ 34,792	\$ 147
4000	Maintenance & Operations	\$ 3,567,505	\$ 55,765	\$ 3,623,270	\$ 3,572,732	\$ 49,884	\$ 654
5000	Fixed Charges	\$ 253,442	\$ 67,430	\$ 320,872	\$ 320,872	\$ -	\$ -
6000	Community Services	\$ 105,132	\$ 1,425	\$ 106,557	\$ 106,550	\$ -	\$ 7
7000	Fixed Assets	\$ 318,686	\$ (117,392)	\$ 201,294	\$ 136,263	\$ 65,000	\$ 32
9000	Out of District Tuitions	\$ 411,302	\$ (116,130)	\$ 295,172	\$ 275,621	\$ 19,505	\$ 46
	GRAND TOTAL	\$ 45,047,176	\$ 0	\$ 45,047,176	\$ 44,850,153	\$ 194,922	\$ 2,101

Notes on Adjustments to Original Budget (all references of variances are to "Original Budget")

- 2000 - Salaries over budget by \$51K, driven by increased special ed. tutor staffing (pre-school \$78K), partially offset by replacement hiring savings on teacher salaries
- 4000 - Maintenance costs over budget by \$58K due primarily to custodial overtime costs during staffing shortages, with offsets in utilities costs
- 5000 - Fixed Charges - Retirement Incentives (sick leave buy out) over budget by \$32K, balance due to property/liability insurance increases
- 7000 - Fixed Assets - Bus deliveries scheduled to arrive in late FY24 were delayed, will arrive in FY25 - anticipated lease costs not incurred
- 9000 - Programs with Other Districts under budget due to utilization of grant/circuit-breaker offsets

Description of DESE Function Categories

- 1000:** School Committee, Superintendent, Finance and Business, HR, Benefits, Personnel, Legal, DW Management and Tech
- 2000:** Instructional Services, DW Academic Leadership, School Building Leadership, Building Tech, Teaching Services, Classroom Teachers, Specialists, Subs, Para's, Stipends, Coordinators, Guidance, Supplies, Instructional Equipment, Textbooks, Software
- 3000:** Attendance And Parent Liaison Services, Health Services, Transportation, Athletics, Other Student Activities
- 4000:** Custodians, Heating, Utility Services, Maintenance of Grounds/Buildings/Equipment, Security, Networking and Telecommunications
- 5000:** Retirement, Insurance, Rental Lease of Equipment, Rans, Bans, Crossing Guards
- 6000:** Transportation to Non-Public Schools
- 7000:** Acquisition And Improvement Of Equipment, Capital, Replacement of Equipment, Acquisition of Motor Vehicles, Replacement of Motor Vehicles
- 9000:** School Choice Tuition, Charter Schools, Special Ed Tuitions for Private Schools and Collaboratives

CONCORD PUBLIC SCHOOLS CONCORD-CARLISLE REGIONAL SCHOOL DISTRICT

120 MERIAM ROAD CONCORD, MA 01742 PHONE 978-318-1500 FAX 978-318-1537 www.concordps.org

To: School Committee, Concord-Carlisle Regional School District

From: Robert Conry, Assistant Superintendent of Finance and Operations

Cc: Dr. Laurie Hunter, Superintendent, Concord Public Schools

Date: October 8, 2024

Subject: FY24 Year End Reports - CCRSD

Concord-Carlisle Regional School District

General Fund Budget

A general fund budget summary is posted and linked separately on the meeting agenda. Explanations are provided on significant adjustments to the original budget. The overall operating budget \$38,206,986 had an unspent unencumbered balance of \$740 at the end of FY24. The original budget approved was \$37,811,098, and an additional \$395,888 was authorized by a vote of the School Committee during FY24 to pay for one-time costs associated with exiting the Minuteman Nashoba Health Group insurance cooperative.

A detailed report on the general fund is provided as a separate attachment summarizing expenses by DESE Function Classifications.

Motion Language

That the Concord-Carlisle Regional School Committee vote to approve the FY24 Year End budget transfers, as presented in the year end summary report.

Excess and Deficiency

E&D was certified by the MA Department of Revenue as of June 30, 2023 in the amount of \$1,776,766, which was 4.7% of the FY24 Budget. The permissible cap is 5.0% for E&D. These funds represent the accumulated unrestricted fund balance of the regional school district (similar to “free cash” in a municipality).

It is anticipated that the June 30, 2024 E&D balance will be fairly close to the previous year, due to some offsetting impacts. General Fund revenue was favorable to budget by \$394,773, primarily due to interest income (\$358K). This was offset by usage of E&D funds of \$395,888 to cover MNHG exit costs, as authorized by the School Committee in March 2024. Other adjustments may be made during the audit process after the district’s balance sheet and E&D calculation is reviewed.

State and Federal Grant Funds

Grants funds provide an additional funding source for the district. Please see the attached report for a summary of FY24 grant information for CCRSD (far right column).

CONCORD PUBLIC SCHOOLS CONCORD-CARLISLE REGIONAL SCHOOL DISTRICT

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Special Revenue Funds (Revolving)

A report on special revenue funds is provided below. The report shows FY24 beginning balances, revenues and expenses, and the ending balance.

Summary of FY24 Activity				
Revolving Fund	Beginning Balance	Revenue	Expenses	Ending Balance
Adult Education	135,207	759,057	(823,366)	70,898
Athletics	265,016	365,428	(470,379)	160,065
School Lunch	289,341	733,690	(757,897)	265,134
Circuitbreaker	1,084,542	1,621,625	(1,595,178)	1,110,989

Circuit-breaker funds grew slightly over the course of FY24, in large part due to the receipt of Extraordinary Relief funds from DESE. These funds were utilized to pay for unbudgeted tuitions during FY24. This fund balance serves as a safety net to cover the costs of unanticipated, unbudgeted out of district placements.

School Lunch continues to maintain a healthy fund balance as of June 30, 2024. The **Adult Education** and **Athletic Revolving** funds experienced some declines in fund balances due to some increased costs in athletics, and some of the Adult Education decrease is that some FY24 revenues were realized early, at the end of FY23, as collections for summer programs occurred prior to fiscal year end 2023.

Recently established revolving funds for **Facilities Rental** (FY24) and **Non-Resident Tuitions** (FY23) received FY24 revenues of \$54,512, and \$80,500 respectively. Both funds were fully spent down to zero, with revenues used to cover costs of facilities maintenance, and Pathways program supports.

Other Post-Employment Benefits (“OPEB”) Funding Status

June 2023 trust net position is reported below. It is based on the January 1, 2023 actuarial valuation of the Concord-Carlisle Regional School District Other Post-Employment Benefits (OPEB) plan performed by Stone Consulting, Inc., for the reporting period June 30, 2023

OPEB Fund Assets: \$8,601,590

OPEB Liability: \$16,550,643

Funding Ratio: 52%

FY24 investment performance was favorable, with investment earnings of \$1,356,282; added to the FY24 budget contribution of \$425,000, resulted in a year-end balance of \$10,382,872 as of June 30, 2024. (Note: The \$425,000 was in transit as of fiscal year, having been mailed to the investment manager just before fiscal year end.)

Fiscal Year 2024 Grant Summary

shaded items were competitive grant applications			CPS	CCRS
Grant Name	Grant Purpose	Focus area	FY24 Grant Award	FY24 Grant Award
Title I	Title I, Part A of the federal Elementary and Secondary Education Act (ESEA) provides supplemental resources to local school districts to help provide all children significant opportunity to receive a fair, equitable, and high-quality education, and to close educational achievement gaps.	Close achievement gaps among different subgroups of learners; targeted support for low-income students requiring add'l resources; the district funds tutors from this grant	80,640	26,216
Title II A	Title II, Part A of the federal Elementary and Secondary Education Act (ESEA) provides supplemental resources to school districts to support and facilitate excellent teaching and learning.	Professional development for teachers	27,369	14,836
Title IV	Title IV, Part A of the federal Elementary and Secondary Education Act (ESEA) provides supplemental resources to local school districts to build capacity to help ensure that all students have equitable access to high quality educational experiences.	Can be used for any of Title I and Title IIA purposes, with additional permissible uses; allocated to instructional support staff here	16,080	10,000
IDEA	Overseen by the U.S. Department of Education's Office of Special Education Programs, the purpose of this federal special education entitlement grant program is to provide funds to ensure that eligible students with disabilities receive a free and appropriate public education that includes special education and related services designed to meet their individual needs.	In support of special education students and programs. Like many other districts, CPS applies this to out of district tuitions, for simplicity of administration	552,351	453,415
Early Childhood IDEA	Similar to IDEA, for students aged 3 to 5	CPS allocates support staff / tutors to this grant	15,723	-
METCO	In support of Metco programs and students in districts that have Metco programs	Direct support of Metco program; CPS utilizes these funds for staffing - administration, academic support, and transportation costs	691,347	469,106
METCO REI	Metco Racial Equity Integration grant	Competitive Metco supplemental grant for DEIB initiatives	5,478	11,652
Comprehensive School Health	A competitive grant to enable activities that promote and support healthy school environments	Overseen by Health Services Nurse Chair.		35,000
Financial Literacy	A grant to promote financial literacy among high school students	Program run at CCHS in partnership with 3rd party		3,200
HQIM Grant	High Quality Instructional Materials Competitive Grant	CPS applied for Envisions for Middle School Math	70,045	
SEL & Mental Health	Social Emotional Learning and Mental Health supports		45,000	15,000
MIIA Loss Prevention	A grant provided by CCRSD insurance company to manage risk	Used for safety training in CCRSD, and temperature sensors in CPS (Thoreau 1994 wing)	10,000	7,500
Homeless Support (Core)	State and federal grants to support homeless students	Most of the funding is state grant (\$104/student/day)	631,728	100,651
Chronic Absenteeism	Statewide grant offered to districts that participated in a DESE Survey related to absenteeism	For initiatives intended to reduce absenteeism	10,000	10,000
Total FY24 Grant Awards			2,155,761	1,156,576

**CCRSD FY24 YEAR END BUDGET REPORT
SUMMARY BY DESE FUNCTION CODE**

FUNCTION	FUNCTION DESCRIPTION	ORIGINAL BUDGET	TRANSFERS & ADJUSTMENTS	ADJUSTED BUDGET	EXPENDITURES	ENCUMBRANCES	BALANCE
1000	District Leadership & Administration	\$ 1,626,630	\$ (14,116)	\$ 1,612,514	\$ 1,608,591	\$ 3,918	\$ 5
2000	Instructional Leadership	\$ 20,492,291	\$ (622,192)	\$ 19,870,099	\$ 19,862,505	\$ 7,051	\$ 543
3000	Other School Services	\$ 2,936,055	\$ 286,431	\$ 3,222,486	\$ 3,187,406	\$ 35,072	\$ 8
4000	Maintenance & Operations	\$ 2,098,900	\$ 205,145	\$ 2,304,045	\$ 2,267,332	\$ 36,594	\$ 119
5000	Fixed Charges	\$ 4,346,715	\$ 196,550	\$ 4,543,265	\$ 4,506,258	\$ 37,000	\$ 7
7000	Fixed Assets	\$ 356,218	\$ (18,127)	\$ 338,091	\$ 272,901	\$ 65,175	\$ 15
8000	Debt Retirement & Service	\$ 4,006,047	\$ (4,080)	\$ 4,001,967	\$ 4,001,967	\$ -	\$ -
9000	Out of District Tuitions	\$ 1,948,242	\$ (29,611)	\$ 1,918,631	\$ 1,908,059	\$ 10,529	\$ 42
(5000)	MNHG Exit Costs (E&D)	\$ -	\$ 395,888	\$ 395,888	\$ 395,888	\$ -	\$ -
	GRAND TOTAL	\$ 37,811,098	\$ 395,888	\$ 38,206,986	\$ 38,010,907	\$ 195,340	\$ 740

Notes on Adjustments to Original Budget (all references of variances are to "Original Budget")

2000 - Salaries under budget by \$375K - \$86K short term and long term subs, \$107K titors, \$27K DEIB Intern, \$37K Reading Specialist costs re-allocated to ESSER III. Special Education teacher position not backfilled during FY24, remainder due to replacement hire savings

2000 - Non-salary lines under budget by \$247K - \$33K prof. development, \$30K administrative expenses, \$59K instructional software, \$102K instructional materials

3000 - Other School Services over budget due to the following: SPED Transportation \$106K, homeless transportation \$50K, Athletics \$86K (\$46K Asst. Trainer, \$16K facilities rentals, \$15K bussing, \$6K insurance); \$41K campus security contract services / supplies for safety initiatives

4000 - CCHS Electricity over budget by \$113K, Bldg / Grounds Maint over by \$55K (hvac repairs, space re-work); custodial salaries/OT \$23K

5000 - Health insurance over budget by \$145K (active/retiree), Worker's comp. insurance \$50K, liability insurance \$40K

9000 Adjustments are masked by additional C/Brekaer revenues; gross OOD tuitions significantly exceeded budget,; extraordinary C/Breaker relief funds substantially offset that in FY24

MNHG Exit Costs - School Committee voted to authorize the use of E&D to offset this cost, which is run-off claims costs associated with existing the MNHG health care collaborative

Description of DESE Function Categories

1000: School Committee, Superintendent, Finance and Business, HR, Benefits, Personnel, Legal, DW Management and Tech

2000: Instructional Services, DW Academic Leadership, School Building Leadership, Building Tech, Teaching Services, Classroom Teachers, Specialists, Subs, Para's, Stipends, Coordinators, Guidance, Supplies, Instructional Equipment, Textbooks, Software

3000: Attendance And Parent Liaison Services, Health Services, Transportation, Athletics, Other Student Activities

4000: Custodians, Heating, Utility Services, Maintenance of Grounds/Buildings/Equipment, Security, Networking and Telecommunications

5000: Retirement, Insurance, Rental Lease of Equipment, Rans, Bans, Crossing Guards

6000: Transportation to Non-Public Schools

7000: Acquisition And Improvement Of Equipment, Capital, Replacement of Equipment, Acquisition of Motor Vehicles, Replacement of Motor Vehicles

9000: School Choice Tuition, Charter Schools, Special Ed Tuitions for Private Schools and Collaboratives

**CONCORD PUBLIC SCHOOLS
CONCORD-CARLISLE REGIONAL SCHOOL DISTRICT**

120 MERIAM ROAD CONCORD, MA 01742 PHONE: 978.318.1500 www.concordps.org/

**CONCORD PUBLIC SCHOOLS & CONCORD-CARLISLE REGIONAL SCHOOL DISTRICT
FY26 BUDGET TIMELINE**

- ❖ October 1: October 1 enrollment will be sent to Principals and Administrators
- ❖ October 15, 2024: FY26 zero-based budget packets and instructions will be sent to principals, department chairs, and district departments
- ❖ October 15 - November 22: FY26 zero-based budget development with principals, department chairs, and district departments
- ❖ **October 22: DRAFT Capital Plans (10 year) presented to School Committee**
- ❖ Oct TBD: Preliminary budget planning meeting with Carlisle Finance Committee Liaison
- ❖ October 22: Preview 10/24 Concord Finance Committee presentation with School Committee (*response to annual data request, to aid in establishing budget guidelines*)
- ❖ October 24: Presentation to Concord Finance Committee (annual data request response)
- ❖ **November 18: Joint Select Board/School Committee/Finance Committee Capital Planning Forum**
- ❖ December 2 – 6: Principals/Departments present FY26 Budget requests to Administration
- ❖ **December 16: Joint Select Board/School Committee/Finance Committee Capital Planning Forum**
- ❖ January 7: FY26 Superintendent's Recommended Budgets presented to SCOM
- ❖ January 7: Place ad to appear at least 7 days prior to January 21 PUBLIC HEARING
- ❖ January 18 (or 11): Concord Town Meeting Preview Meeting; Warrant Opens
- ❖ January 21: PUBLIC HEARING - FY26 Superintendent's Recommended Budgets
- ❖ Late January: Governor's house budget released/initial revenue projection
- ❖ January/February TBD: FY26 Superintendent's Recommended Budgets will be presented to the Concord Finance Committee (Carlisle TBD)
- ❖ February 4: School Committee vote to adopt FY26 Budgets
- ❖ February 5: Due Date for Draft Warrant Articles to Town of Concord
- ❖ February 19: Concord Town Meeting Warrant Closes, Warrant Articles due (Carlisle TBD)
- ❖ April TBD: Carlisle Finance Committee / CCRSD SCOM Public Hearings
- ❖ April 15: Superintendent's FY26 budget books available to the public
- ❖ May 1: Concord Finance Committee / Concord SCOM FY26 Budget Public Hearings
- ❖ June 2: Concord Annual Town Meeting (Carlisle TBD)

***Ongoing budget discussions will be held with the Finance Committees in both towns' up until their Town Meetings. The School Committee adopted budgets can be revised downward up until Town Meeting.*

CPS/CCRSD FY26 Budget
Concord Finance Committee Guidelines Presentation

October 22, 2024
School Committee Meeting

To be presented at October 24, 2024
Concord Finance Committee meeting

Key Strategic Planning Initiatives

The districts' priorities will focus on those identified in the recently completed 2023-2028 Strategic Plan. The main objectives reflect the following:

- Multiple Support to Students: A continuum of intensive programs are now in place to better serve students with more significant disabilities while training, support, and integration are fostered. The expansion of regular education supports is ongoing through a tiered system in literacy, math, and social and emotional needs.
- Mental Wellness: Social and emotional curriculum are being updated and expanded to further student skills, especially following the pandemic's impact. Additionally, a range of services available to struggling students is expanding.

Key Strategic Planning Initiatives (cont'd)

- Cultural Competency: A focus on Diversity, Equity, Inclusion, and Belonging (DEIB) requires extensive training, structures, and leadership. Educational programs to ensure equitable access to learning for all students is required.
- Innovative Environments: Preparation for the new middle school includes professional development toward teaching all students and maximizing the space the building will provide. Additionally, outdoor experiences and settings are a priority across all schools as they foster experiential and cooperative learning.

CPS Preliminary Five Year Projections by Funding Source

ALL FUNDS	FY25	FY26	FY27	FY28	FY29	FY30
DISTRICT EXPENDITURES	\$ 51,196,119	\$ 52,577,457	\$ 54,353,556	\$ 56,138,025	\$ 57,958,606	\$ 59,839,798
% increase vs. prior year		2.7%	3.4%	3.3%	3.2%	3.2%
FUNDING SOURCES	FY25	FY26	FY27	FY28	FY29	FY30
GRANTS	\$ 2,493,031	\$ 2,542,891	\$ 2,593,749	\$ 2,645,624	\$ 2,698,536	\$ 2,752,507
REVOLVING	\$ 1,286,067	\$ 1,311,788	\$ 1,338,024	\$ 1,364,784	\$ 1,392,080	\$ 1,419,921
CIRCUIT BREAKER	\$ 825,000	\$ 849,750	\$ 875,243	\$ 901,500	\$ 928,545	\$ 956,401
SUBTOTAL	\$ 4,604,097	\$ 4,704,429	\$ 4,807,015	\$ 4,911,908	\$ 5,019,161	\$ 5,128,830
REMAINDER-GENERAL FUND	\$ 46,592,022	\$ 47,873,028	\$ 49,546,541	\$ 51,226,117	\$ 52,939,445	\$ 54,710,968
General Fund Increase		2.7%	3.5%	3.4%	3.3%	3.3%

CPS Preliminary Five Year Projections – Growth Rates

EXPENSE CATEGORY	FY25	FY26	FY27	FY28	FY29	FY30
TEACHERS / CTA	\$ 27,829,336	\$ 28,803,363	\$ 29,782,677	\$ 30,765,505	\$ 31,780,767	\$ 32,829,532
Percent change-Teacher Salaries		3.50%	3.40%	3.30%	3.30%	3.30%
NON-TEACHERS SALARIES	\$ 14,291,838	\$ 14,414,885	\$ 14,876,161	\$ 15,352,198	\$ 15,843,469	\$ 16,350,460
Percent change-Non teacher Salaries		0.86%	3.20%	3.20%	3.20%	3.20%
SUPPLIES & MATLS	\$ 2,643,116	\$ 2,748,841	\$ 2,858,795	\$ 2,958,852	\$ 3,062,412	\$ 3,169,597
Percent change-Supplies & Matls		4.00%	4.00%	3.50%	3.50%	3.50%
CONTRACT SVCS	\$ 2,156,412	\$ 2,264,232	\$ 2,366,123	\$ 2,460,768	\$ 2,546,895	\$ 2,636,036
Percent change-Contract Svcs		5.00%	4.50%	4.00%	3.50%	3.50%
OOD TUITIONS	\$ 1,688,746	\$ 1,857,620	\$ 1,922,637	\$ 1,989,929	\$ 2,059,577	\$ 2,131,662
Percent change-OOD Tuitions		10.00%	3.50%	3.50%	3.50%	3.50%
UTILITIES	\$ 1,286,934	\$ 1,325,542	\$ 1,365,308	\$ 1,406,268	\$ 1,448,456	\$ 1,491,909
Percent change-Utilities		3.00%	3.00%	3.00%	3.00%	3.00%
OTHER EXPS	\$ 1,212,737	\$ 1,093,374	\$ 1,126,175	\$ 1,159,960	\$ 1,194,759	\$ 1,230,602
Percent change-Other Exps		-9.84%	3.00%	3.00%	3.00%	3.00%
SICK LV / RETIREMENT INCENTIVES	\$ 87,000	\$ 69,600	\$ 55,680	\$ 44,544	\$ 22,272	\$ -
Percent change-Sick Leave		-20.00%	-20.00%	-20.00%	-50.00%	-100.00%

NOTES

- 1) Teachers / CTA line includes 3.0% COLA increase plus steps/lanes advancement, net of cost savings on replacement hires
- 2) Yellow highlighted items reflect the \$500,000 savings from Middle School consolidation into a new single building; actual savings may be distributed across other accounts

CCRS D Preliminary Five Year Projections – Funding Source

All Funds	FY25	FY26	FY27	FY28	FY29	FY30
TOTAL EXPENDITURES	\$ 43,748,617	\$ 45,240,404	\$ 46,540,246	\$ 47,921,760	\$ 48,967,688	\$ 50,343,700
		3.4%	2.9%	3.0%	2.2%	2.8%
FUNDING SOURCES	FY25	FY26	FY27	FY28	FY29	FY30
GRANTS	\$ 1,056,244	\$ 1,077,369	\$ 1,098,916	\$ 1,120,895	\$ 1,143,313	\$ 1,166,179
REVOLVING	\$ 2,385,465	\$ 2,433,175	\$ 2,481,838	\$ 2,531,475	\$ 2,582,104	\$ 2,633,747
CIRCUIT BREAKER	\$ 1,332,000	\$ 1,411,920	\$ 1,454,278	\$ 1,497,906	\$ 1,542,843	\$ 1,589,128
SUBTOTAL	\$ 4,773,710	\$ 4,922,464	\$ 5,035,032	\$ 5,150,276	\$ 5,268,260	\$ 5,389,054
REMAINDER- GENERAL FUND	\$ 38,974,907	\$ 40,317,940	\$ 41,505,214	\$ 42,771,484	\$ 43,699,427	\$ 44,954,646
General Fund Increase		3.4%	2.9%	3.1%	2.2%	2.9%
GENERAL FUND REVENUE	FY25	FY26	FY27	FY28	FY29	FY30
Chapter 70	\$ 3,351,654	\$ 3,468,962	\$ 3,573,031	\$ 3,680,222	\$ 3,790,628	\$ 3,904,347
Chapter 71	\$ 810,000	\$ 810,000	\$ 826,200	\$ 842,724	\$ 859,578	\$ 876,770
Other Revenue	\$ 306,359	\$ 306,359	\$ 306,359	\$ 306,359	\$ 306,359	\$ 306,359
E&D	\$ 300,000	\$ 300,000	\$ 250,000	\$ 200,000	\$ 150,000	\$ 100,000
Subtotal	\$ 4,768,013	\$ 4,885,321	\$ 4,955,590	\$ 5,029,305	\$ 5,106,566	\$ 5,187,476
Net Assessment to Towns	\$ 34,206,894	\$ 35,432,619	\$ 36,549,624	\$ 37,742,179	\$ 38,592,862	\$ 39,767,170

CCRSB Preliminary Five Year Projections – Excluding Debt

All Funds	FY25	FY26	FY27	FY28	FY29	FY30
TOTAL EXPENDITURES	\$ 43,748,617	\$ 45,240,404	\$ 46,540,246	\$ 47,921,760	\$ 48,967,688	\$ 50,343,700
		3.4%	2.9%	3.0%	2.2%	2.8%
FUNDING SOURCES	FY25	FY26	FY27	FY28	FY29	FY30
GRANTS	\$ 1,056,244	\$ 1,077,369	\$ 1,098,916	\$ 1,120,895	\$ 1,143,313	\$ 1,166,179
REVOLVING	\$ 2,385,465	\$ 2,433,175	\$ 2,481,838	\$ 2,531,475	\$ 2,582,104	\$ 2,633,747
CIRCUIT BREAKER	\$ 1,332,000	\$ 1,411,920	\$ 1,454,278	\$ 1,497,906	\$ 1,542,843	\$ 1,589,128
SUBTOTAL	\$ 4,773,710	\$ 4,922,464	\$ 5,035,032	\$ 5,150,276	\$ 5,268,260	\$ 5,389,054
REMAINDER- GENERAL FUND	\$ 38,974,907	\$ 40,317,940	\$ 41,505,214	\$ 42,771,484	\$ 43,699,427	\$ 44,954,646
General Fund Increase		3.4%	2.9%	3.1%	2.2%	2.9%
Debit Service / Assessment	\$ 3,913,137	\$ 3,799,433	\$ 3,644,434	\$ 3,541,436	\$ 3,343,437	\$ 3,145,438
GENERAL FUND EXCL. DEBT	\$ 35,061,771	\$ 36,518,507	\$ 37,860,780	\$ 39,230,048	\$ 40,355,990	\$ 41,809,208
Increase % excl. debt		4.2%	3.7%	3.6%	2.9%	3.6%

CCRSB Preliminary Five Year Projections – Growth Rates

EXPENSE CATEGORY	FY25	FY26	FY27	FY28	FY29	FY30
Teachers / CCTA Salaries	\$ 16,915,586	\$ 17,490,716	\$ 18,067,910	\$ 18,664,151	\$ 19,280,068	\$ 19,916,310
Percent Change - CCTA Salaries		3.4%	3.3%	3.3%	3.3%	3.3%
Non-Teacher's Salaries	\$ 8,879,866	\$ 9,164,021	\$ 9,457,270	\$ 9,759,903	\$ 10,072,220	\$ 10,394,531
Percent Change - Non-Teacher's Sals		3.2%	3.2%	3.2%	3.2%	3.2%
Contract Svcs	\$ 2,102,700	\$ 2,207,835	\$ 2,307,188	\$ 2,399,475	\$ 2,483,457	\$ 2,570,378
Percent Change - Contract Svcs		5.0%	4.5%	4.0%	3.5%	3.5%
Supplies and Materials	\$ 2,399,261	\$ 2,495,232	\$ 2,595,041	\$ 2,685,867	\$ 2,779,873	\$ 2,877,168
Percent Change - Supplies and Matls		4.0%	4.0%	3.5%	3.5%	3.5%
OOD Tuitions	\$ 3,632,416	\$ 3,923,009	\$ 4,040,700	\$ 4,161,921	\$ 4,286,778	\$ 4,415,382
Percent Change - OOD Tuitions		8.0%	3.0%	3.0%	3.0%	3.0%
Insurance	\$ 3,002,899	\$ 3,183,073	\$ 3,374,057	\$ 3,576,500	\$ 3,791,090	\$ 4,018,556
Percent Change - Insurance		6.0%	6.0%	6.0%	6.0%	6.0%
Retirement	\$ 924,838	\$ 952,583	\$ 981,161	\$ 1,010,595	\$ 757,947	\$ 780,685
Percent Change - Retirement		3.0%	3.0%	3.0%	-25.0%	3.0%
OPEB	\$ 425,000	\$ 425,000	\$ 425,000	\$ 425,000	\$ 425,000	\$ 425,000
Percent Change - OPEB		0.0%	0.0%	0.0%	0.0%	0.0%
Utilities	\$ 785,047	\$ 808,598	\$ 832,856	\$ 857,842	\$ 883,577	\$ 910,084
Other	\$ 767,868	\$ 790,904	\$ 814,631	\$ 839,070	\$ 864,242	\$ 890,169
Other	\$ 1,552,914	\$ 1,599,502	\$ 1,647,487	\$ 1,696,911	\$ 1,747,819	\$ 1,800,253
Percent Change - Other		3.0%	3.0%	3.0%	3.0%	3.0%
Debt Assessment	\$ 3,913,137	\$ 3,799,433	\$ 3,644,434	\$ 3,541,436	\$ 3,343,437	\$ 3,145,438
Percent Change - Debt Assessment		-2.9%	-4.1%	-2.8%	-5.6%	-5.9%

CCRSD Preliminary Five Year Projections- Town Assessments

	FY25	FY26	FY27	FY28	FY29	FY30
Net Assessment to Towns	\$ 34,206,894	\$ 35,432,619	\$ 36,549,624	\$ 37,742,179	\$ 38,592,862	\$ 39,767,170
		3.6%	3.2%	3.3%	2.3%	3.0%
Concord Share (%)	76.42%	76.42%	76.42%	76.42%	76.42%	76.42%
Carlisle Share (%)	23.58%	23.58%	23.58%	23.58%	23.58%	23.58%
Concord Share (\$)	26,140,909	27,077,608	27,931,223	28,842,573	29,492,665	30,390,071
% Increase - CONCORD		3.6%	3.2%	3.3%	2.3%	3.0%
Carlisle Share (\$)	8,065,986	8,355,012	8,618,401	8,899,606	9,100,197	9,377,099
% Increase - CARLISLE		3.6%	3.2%	3.3%	2.3%	3.0%

Note: Preliminary enrollment figures for 10/1/24 indicate essentially no change in town's relative enrollment level %'s

Next Steps

- Budget development and review for CPS and CCRSD
- **January 7:** Initial FY26 Budget Presentation to School Committee
- **January 21:** FY26 Budget Public Hearing
- **Mid-late January:** Ch. 70 and Ch. 71 funding projections released

QUESTIONS ?



Concord Finance Committee
AGENDA ACTION REQUEST

October 24, 2024

4

Finance Committee's FY26 Budget Process

Discuss Concord/Carlisle Regional High School District Response to the Finance Committee FY26 Guideline Information Request Letter

Requested by: FC Chair

Action Sought: discussion dependent

Proposed Motion(s)

None anticipated.

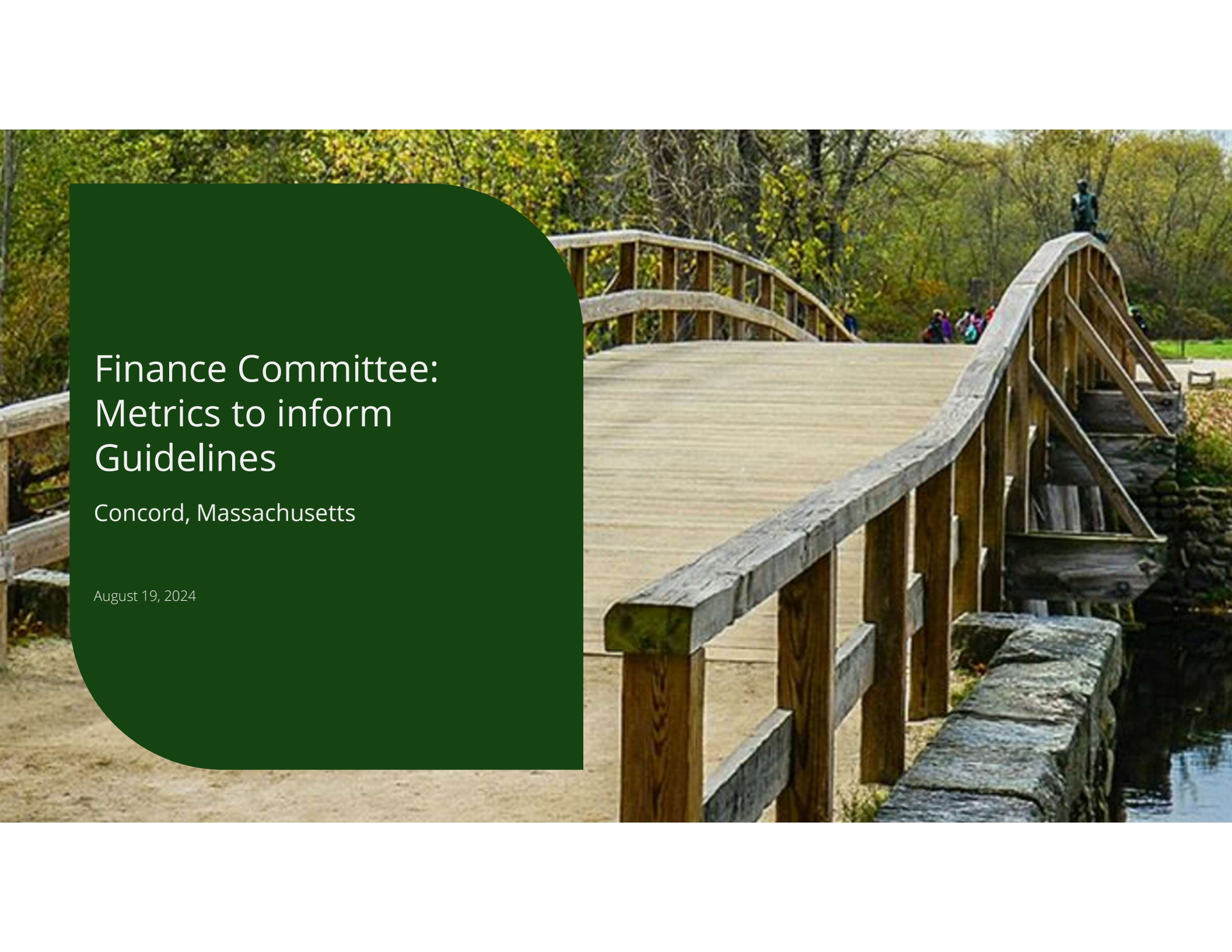
Additional Information

The Finance Committee approved the FY26 Guidelines Information Request Letter to the Chairs of the Concord School Committee and Concord-Carlisle Regional School District Committee at their meeting on August 19, 2024, and issued on August 20, 2024 (attached).

Tonight's meeting is to discuss their response (attached) in anticipation of the Finance Committee issuing FY26 Budget Guidelines.

Board Action

<i>Motion</i>	<i>Second</i>	<i>In favor</i>	<i>Opposed</i>	<i>Disposition</i>



Finance Committee: Metrics to inform Guidelines

Concord, Massachusetts

August 19, 2024

The guideline process, the output of which are **recommendations for budget increases for the next fiscal year**, is central to **the Finance Committee's** duties.

Guidelines overview

- **Established annually** by the Finance Committee in close collaboration with the Town and Schools.
- Defined as the **Finance Committee's recommended increase over the prior year for "spending subject to guidelines."**¹
 - Published for each of the town's primary budgeting entities: Town Government, Concord Public Schools, and Concord's portion of the Concord Carlisle Regional School District.
 - For State Fiscal Year 2025 (SFY25), 75% of planned operating spending was subject to guidelines, as follows:

	Total spending plan for SFY25	Subject to Guidelines	Non-guidelines ¹
Town	\$64,467,947	54%	46%
Schools	\$74,389,428	94%	6%
Total	\$138,857,375	75%	25%

Guidelines goals

- 1** Consider Town and School **cost growth**.
- 2** Reflect taxpayers' **ability to pay** for services.
- 3** Strive for a **balanced approach**.
- 4** Along the way, **identify potential cost-savings measures, efficiencies**, as well as areas **where additional funding may be necessary** to meet community needs.

(1) Spending for items such as debt service, Town and CPS non-teacher employee benefits and retirement, Minuteman Tech Regional HS appropriation, and liability insurance are not included in the guideline process. The guideline specifies the amount of the increase over the prior year's "spending subject to guidelines" available to each unit for the next fiscal year.

In FY24 and FY25, the Finance Committee used metrics derived from Congressional Budget Office data to inform guidelines; the Guidelines Subcommittee proposes taking the same approach in FY26

Metrics to inform guidelines, FY24-25 actual, FY26 proposed

All metrics data is sourced from Congressional Budget Office Budget and Economic Outlook projections, using the most recent data available. Quarterly data is converted to state/town fiscal year. Metrics are as follows:

- **Projected real personal income growth per capita:** Projected growth in personal income growth per capita net of projected inflation.
- **Projected nominal personal income growth per capita:** Projected growth in personal income growth per capita unadjusted for projected inflation.
- **Projected inflation relevant to Concord's town and school expenses:** Blended rate (to reflect Concord's projected cost breakdown) of Employment cost index (ECI), private wages and salaries (80%) and chained weighted consumer price index urban (CPI-U) for goods and services (20%).

Metrics detail

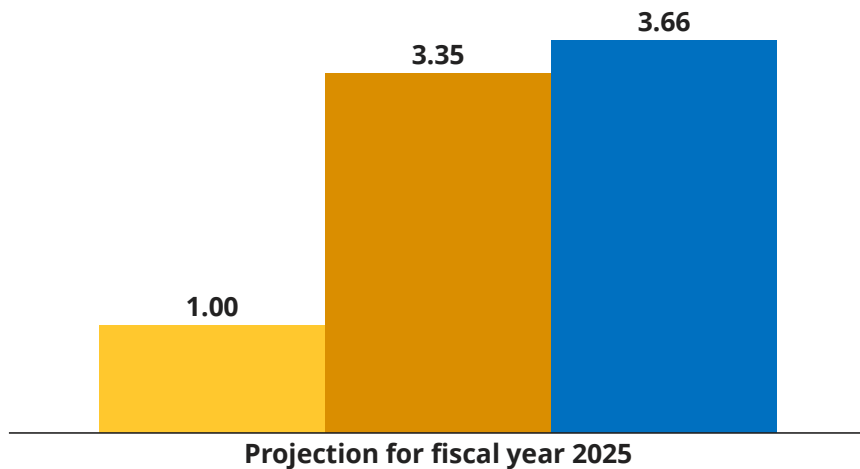
- **Metrics aim to reflect residents' ability to pay as well as inflation for Concord's expenses, as follows:**
 - **Ability to pay recognizes projected growth in residents' personal income.**
 - **Inflation for Concord's expenses recognizes projected cost growth of School and Town budgets.**
- **Metrics are not guidelines.** Metrics and guidelines are separate, but the metrics are objective measures that should inform the final overall guidelines. Metrics are a tool to inform the establishment of a guidelines number(s).

Metrics to inform guidelines that the Guidelines Subcommittee proposes using for **FY2026** are **1.37%**, **3.36%**, and **3.22%** for projected real income growth, projected nominal income growth, and projected inflation, respectively

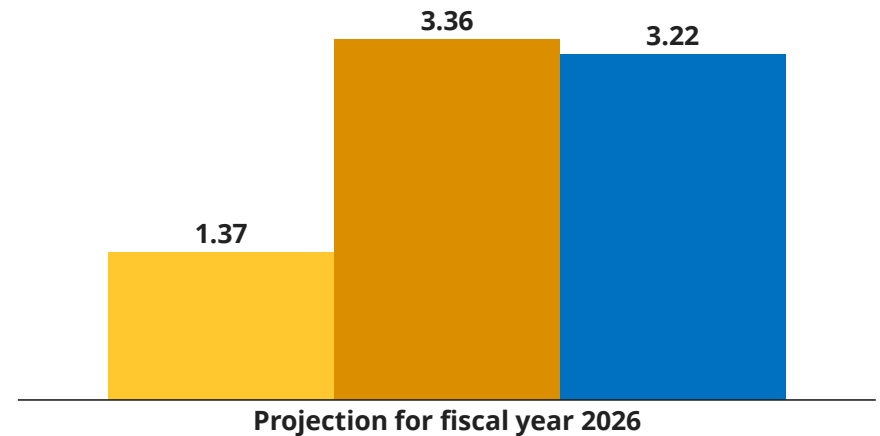
Metrics to inform guidelines, Fiscal Year 2025 actual and Fiscal Year 2026 proposed, %

- Projected real personal income growth per capita
- Projected nominal personal income growth per capita
- Projected inflation relevant to Concord's school and town expenses

Fiscal Year 2025

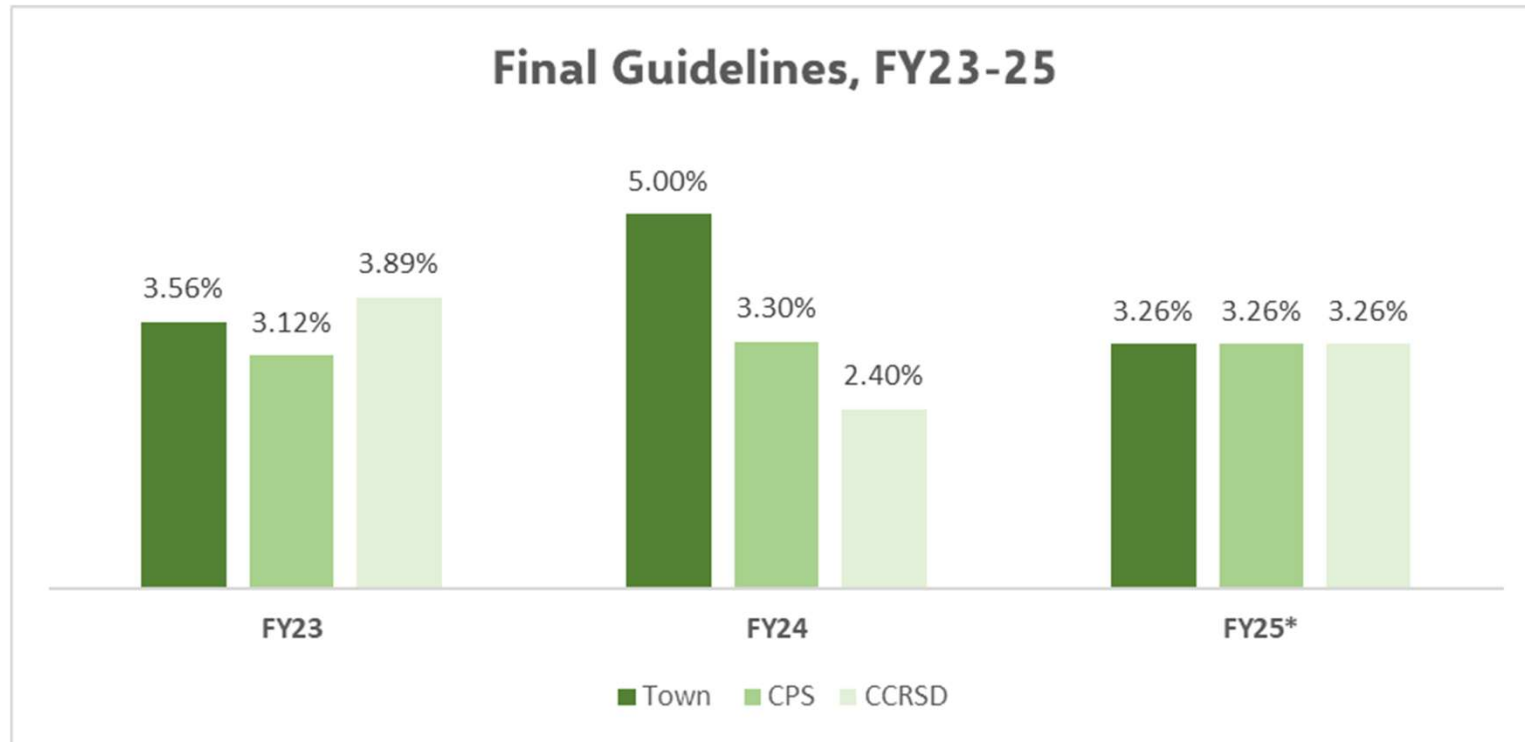


Fiscal Year 2026



- Sources and notes: All data sourced from Congressional Budget Office Budget and Economic Outlook projections as of July 2024 (most recent available). Quarterly data converted to state/town fiscal year.
- Projected real personal income growth per capita: Projected growth in personal income growth per capita net of projected inflation.
 - Projected nominal personal income growth per capita: Projected growth in personal income growth per capita unadjusted for projected inflation.
 - Projected inflation relevant to Concord's town and school expenses: Blended rate (to reflect Concord's projected cost breakdown) of Employment cost index (ECI), private wages and salaries (80%) and chained weighted consumer price index urban (CPI-U) for goods and services (20%).

For some context: As we look ahead to setting the FY26 guidelines themselves, below are the final guidelines we approved for the last three fiscal years.



Sources and notes:

- All data sourced from Finance Committee Annual Reports – for FY23, FY24, and FY25 respectively – available here: <https://concordma.gov/1107/Finance-Committee-Reports>
- For FY25: For Town: 3.26% was guideline for operating budget only; blended ops/Tier 1 capital guideline was 4.45% (26.38% for Tier 1 capital)

FY25 Schedule and Milestones | Version 10 (1 of 2)

May 2024

Priorities:

- Kick-off FY25
- ATM debrief
- Review mission, roles and responsibilities
- Make liaison assignment picks
- Start goals and key issues discussion

Meeting date(s):
Thu 5/23

Jun 2024

Priorities:

- Finalize liaison assignments
- Finalize goals and key issues to monitor
- Recap FY25 guidelines process and preview FY26

Meeting date(s):
Thu 6/20

Jul 2024

Priorities:

- Draft FY26 informational request letters to Town, CPS, CCRSD, and Minuteman to be sent in Sept.
- Notify Town, CPS, CCRSD, and Minuteman that FY26 requests are coming in Aug.

Meeting date(s):
Mon 7/8 w/SB
Thu 7/18

Aug 2024

Priorities:

- Review and approve FY26 guideline inputs/metrics
- Finalize and send FY26 request letters (request responses in Oct).

Meeting date(s):
Mon 8/19 w/SB
Mon 8/19
Thu 8/22 (visits)

Sep 2024

Priorities:

- Q&A with Town, Schools, and Minuteman on FY26 request letters
- Progress check on milestones and goals.

Meeting date(s):
Wed 9/4 (2229)
Thu 9/26

Oct 2024

Priorities:

- Review CPS, CCRSD (with Carlisle FinCom), and Minuteman FY26 budget info
- Kick-off planning for annual report

Meeting date(s):
Thu 10/24

Nov 2024

Priorities:

- 11/7: Review Town FY26 budget info
- 11/7: Review estimated tax impact of preliminary FY26 guidelines
- 11/18: Continue capital planning
- **11/21: Approve FY26 preliminary guidelines**

Meeting date(s):
Thu 11/7
Mon 11/18 w/SB
Thu 11/21

Note: For planning purposes only. All dates are tentative at this time.

FY25 Schedule and Milestones | Version 10 (2 of 2)

Dec 2024

Priorities:

- 12/16: Continue capital planning
- 12/19: Review revised five-year revenue and cost projections
- 12/19: Review tax impact of final FY26 guidelines
- **12/19: Approve final FY26 guidelines**

Meeting date(s):

Mon 12/16
w/SB
Thu 12/19

Jan 2025

Priorities:

- Review revised Town, CPS, CCRSD FY26 budgets
- [FYI: Deadline for issuing guidelines: 1/15]

Meeting date(s):

Thu 1/9

Feb 2025

Priorities:

- Review FinCom-relevant warrant articles (warrant closes 2/19)
- Draft annual report
- Prepare for public hearings

Meeting date(s):

Thu 2/27

Mar 2025

Priorities:

- Continue drafting annual report

Meeting date(s):

Thu 3/20

Apr 2025

Priorities:

- Hold public hearings:
 - Hearing 1 of 3 (4/10): Town, CPS, CCRSD
 - Hearing 2 of 3 (4/15): MM, CPC
- **4/25: Vote on FinCom-relevant warrant articles**
- Continue drafting annual report

Meeting date(s):

Thu 4/10 (PH1)
Tue 4/15 (PH2)
Thu 4/25

May 2025

Priorities:

- Hold public hearings:
 - Hearing 3 of 3 (5/1): Enterprise Funds
- **5/8: Vote on FinCom-relevant warrant articles**
- **5/8: Finalize and mail annual report (due 5/14)**
- 5/22: Final preparations for ATM

Meeting date(s):

Thu 5/1 (PH3)
Thu 5/8
Thu 5/22

Jun 2025

Priorities:

- Participate in ATM

Meeting date(s):

Mon 6/2 (ATM begins)

Note: For planning purposes only. All dates are tentative at this time.