

**CENTRAL OFFICE**  
**Executive Summary**  
**November 13, 2014**

## **I. Budget Overview**

The Preliminary FY16 Central Office Budget supports Strategic Plan Initiatives I.1.A and V.1.A. If not for the presence of funding for the centralized Salary Reserve account, the Preliminary FY16 Central Office budget would reflect an increase of \$91,117 from the FY15 budget, or an increase of 4.2%. Including the Salary Reserve, payroll accounts have increased by \$772,433 and expense accounts have decreased by \$7,404. The increase in payroll is attributable mainly to the \$673,912 increase in the Salary Reserve account. FY16 salaries for individual Central Office employees have been budgeted at actual FY15 pay-rates with the exception of a payroll coordinator and a morning crossing guard who are still to be hired. The expense decrease is attributed to a decrease in the costs associated with leasing and maintaining copier equipment throughout the system, offset by increases in the costs associated with Regular Day & Homeless Transportation, Legal Services, and Postage.

## **II. Personnel Summary**

1. The FY16 budget includes funding to continue with the new payroll coordinator addition which was authorized to be added after the FY15 budget was finalized. There is also a request to hire a 0.4 fte Secretary to replace the 0.4 fte Secretary who will be transferred to the Technology Budget.
2. The FY16 Salary Reserve account provides higher funding (\$673,912) than was provided in the FY15 budget. This Reserve contains an adjustment for all personnel in the district with the exception of the custodians whose contract runs through June 30, 2016. The custodial contractual increases are funded in the Buildings & Grounds budget.
3. Employee Longevity and Early Retirement accounts provide funding for all district employees who have served the district for many years according to contractual guidelines. A net decrease of \$3,050 is needed to meet these contractual obligations.
4. The Teachers Intent Offset went from minus \$401,095 in FY15 to minus \$379,491 in FY15, a difference of \$21,064. This centralized account adjusts for teacher salary increases related to planned lane changes (which may not be fulfilled) the value of which is contained throughout the district budget. Although the offset percentage factor being used for FY16 is in-line with that used in FY15 years, the gross value of the FY16 lane changes is lower than it was last year. thus, the offset is lower.

## **III. Expense Summary**

1. Regular Day Transportation has been increased by \$35,362 to reflect an estimated 2.5 % inflation adjustment. The Preliminary Budget assumes that the School Committee will implement a 10% reduction in the price of a bus pass and the elimination of the Daycare Transportation fee. Nevertheless, the budget offset of \$299,000 remains unchanged from FY15 due to the use of reserve amounts in the Bus Fee Revolving account. **A detailed analysis will be attached.**
2. To reflect the reality of these situations, a \$3,000 budget for Homeless Transportation is being requested.
3. With the exception of Postage (increased by \$4,000), supplies and materials budgets have been funded at FY15 levels. The FY16 Postage budget is in-line with FY13 and FY14 actual costs.

4. Legal Expenses have been increased by \$5,000 to reflect the possibility that contract negotiations may not be settled before July 1<sup>st</sup>.
5. Copier Maintenance has been reduced by \$15,000 to reflect recent years' actual costs.
6. New Equipment has been reduced by \$40,340 due to the redistribution of existing lease costs to the individual schools and to reflect a reduction in the number of copiers system-wide.
7. Emergency Preparedness has been level-funded at \$40,479. This figure will be fine-tuned when the Safety Committee meets (before the 11/13/14 School Committee meeting).