

Office of the Superintendent
Acton Public Schools
Acton-Boxborough Regional School District
(978) 264-4700 x 3211
http://ab.mec.edu

TO: Acton Public School Committee Members
FROM: Stephen Mills
ON: November 18, 2010
RE: **ADDENDUM**

3.0 APPROVAL OF MINUTES

- a. October 21, 2010

6.0. UNFINISHED BUSINESS

- 6.2 Acton Finance Committee Report – *Xuan Kong*
Draft FinCom Point of View for FY'12
- 6.6. Policy Revisions
 - c. Recommendation to Approve Revised School Committee Policy on the Kindergarten and First Grade Entrance (File: JEB) – **FIRST READING** – *Marie Altieri*

7.0. NEW BUSINESS

- 7.1 2011-2012 School Calendar Process Update – *Steve Mills*
 - c. Parent/Staff Surveys

8.0 FOR YOUR INFORMATION

- 8.2 FY '11 Monthly APS Financial Reports
 - a. Budget Status Summary
 - b. Budget Status Summary – Merriam
 - c. Budget Status Summary – Special Education

**ACTON PUBLIC SCHOOL COMMITTEE MEETING
DRAFT Minutes**

**Library
McCarthy-Towne School**

**October 21, 2010
7:30 p.m.**

Members Present: Herman Kabakoff, Xuan Kong, Michael Coppolino, Sharon Smith
McManus (7:35), John Petersen
Members Absent: Terry Lindgren
Others: Don Aicardi, Marie Altieri, Deborah Bookis, Liza Huber, Stephen Mills,
Beth Petr

The meeting was called to order at 7:30 p.m. by John Petersen.

APPROVAL OF MINUTES

The minutes of September 16, 2010 were approved as amended.

STATEMENT OF WARRANT

Warrant #201108 in the amount of \$166,367.53 was signed by the chairperson and circulated to the Committee for approval.

PUBLIC PARTICIPATION - none

EDUCATION REPORT - McCarthy-Towne School, *Principal David Krane*

David spoke about the literacy initiatives being used at the McCarthy-Towne School and how these formative literacy assessments drive instruction. Leveled text is used to match students to the right books at the right time. One size does not fit all when it comes to literacy. A new bookroom was developed over the summer and has been very valuable. David said one of their goals is to “grow critical thinkers, kids who can think out loud”. The “Teachers College Reading Project” was invaluable professional development. McT’s Family Literacy Night at Willow Books is a great event to show adults enjoying reading. David said that Lucy Calkins is an amazing researcher regarding Lifelong Learning. Her focus is that “Teaching begins with seeing the significance and intelligence of what children are doing, and almost doing.” Emphasis is on pushing children as far as they can go, but noticing where they are, to begin the push. David thanked Matt McDowell and Deb Bookis for their efforts on the MCAS analysis for McCarthy-Towne.

The School Committee asked about professional development. When asked why all schools don’t participate in the Teachers’ College program, Dr. Mills answered that each school decides what is best for their staff at a particular time. Regarding funding staff professional development, there is some district money as well as individual schools’ budgets that are used. The total amount that we offer staff is below the state average. When asked what the School Committee could do to help with the literacy and other programs, David said funding was key. The more teachers can share best practices and learn from others, the better.

When asked how many student teachers McT has, David said there are 3 shared in Kindergarten and one in the 2nd grade. He said that having student teachers speaks to what the district is interested in, but it also makes teachers think of their practice. It is important to teach children, as well as the teachers of the future. When asked about the role of parents in literacy, David said that children who are interested in books and read for pleasure, and families that have books and newspapers at home, make the difference. We want to inspire kids to love books and reading.

Mike Coppolino said that at the last meeting, Liza Huber gave information on MCAS re professional development and what is going on. David said that he will get back to the School Committee regarding additional information on that subject.

Teacher Kate Fitzmaurice spoke from audience. She said that people should realize that many teachers are dedicated to professional development without compensation (using workshops, book groups, book shelf) and this is a key to our success.

Assistant Principal Update:

Matt McDowell is learning about the cultures of his two schools, Merriam and McCarthy-Towne. David Krane said that he is doing a terrific job after just six weeks. He has been trying to get into the classrooms often.

UNFINISHED BUSINESS

1. ALG Report

The ALG Meeting on 10/7/10 was primarily about the land issue being voted on at the upcoming special Acton Town Meeting. John Petersen asked if the School Committee should take a position on this issue. It was decided not to take an official position, but that the sense of the Committee is that they encourage everyone to attend Town Meeting and vote for this.

2. Acton Finance Committee Report

Xuan Kong attended the 10/19/10 meeting. The FinCom voted 5-4 to support the Town Meeting question regarding the land purchase, although financially it is very difficult.

3. BOS Report

Herman Kabakoff attended the 10/18/10 meeting. Acton is a "Green Community" and we are now reaping the rewards with some grant funding. Debate is ongoing regarding sewerage the Spencer Tuttle neighborhood.

4. FY'11 Budget Update

ALG meets next week where assumptions will start to be confirmed. If nothing changes and all goes well, it looks like there will be a surplus at the end of the school year. Dr. Mills would like to spend some money this year for next year, as a strategy to help with FY12. It was asked how we know there is a surplus when it is so early in the year. Don agreed to get some details on this for the next meeting. Most of the apparent surplus is on the health insurance salary line. Xuan Kong asked for a good understanding of the variance on this so they can learn going forward.

5. FY'12 Budget Update

- a. Use of Reserves – FY11 Final Table 6 Regional School Assessment (from 10/7/10 AB meeting packet)
- b. Proposed FY12 Budget Schedule for the Schools

Dr. Mills stated that the two school districts have been very good about turning back money at the end of the year in the past. Part of the FY12 strategy is to pay on some bills for next year, next Spring. Steve Mills, Don Aicardi and Marie Altieri spoke at FinCom last month about using reserves. At that time, Dr. Mills stated that as Superintendent, if two very significant conditions exist, he does not object to using local reserves:

1. If 9C cuts are made, the leadership groups will not reduce school budgets.
2. Even more significant is a commitment from ALG to level service the schools (no lay offs for teachers)

If these conditions exist, then the Superintendent does not reject spending some of the surplus. Moving forward over the next 18 months, Dr. Mills wants to be able to say that he did not layoff any teachers, and that a level service budget exists. It may be too early to have that discussion, but it needs to be stated from the start. The message is that "Layoffs are unacceptable in Acton and Acton-Boxborough, and a level service budget is essential." School districts here are efficient. We cannot cut any further. The NEASC Chairperson said this week that our class sizes are too large. If there are 9C cuts, we have to draw down some reserves.

John Petersen asked for guidance from the Committee for the opinions that he and Xuan take back to ALG. The committee needs to be committed to a level service budget, and a plan to make that happen, including how reserves should be managed. Several members have not decided yet. One mentioned that he would defer to FinCom's, the BOS' and the Superintendent's expertise on the use of reserves. Another member voiced concern about the impact this decision would have on the students. The School Committee's job is to advocate for the students, and doing something that would reduce the probability of a level service budget goes against the students. Xuan Kong wants to honor the Committee's commitment. He stated that the waterfall proposal was created because the school needed help and now we must abide by our vote. Herman Kabakoff wants to use the waterfall model and give the taxpayers some relief and do what we said we would do. This gives us political credibility.

Amy Hedison spoke from the audience stating that the Town did not vote on the waterfall and that it is not policy. For the small amount of relief it would give a taxpayer, it could have a much more significant effect on a group of students. She stated that the School Committee should not be advocating for the tax payer. Heather Harer spoke from the audience stating that the waterfall model was to handle Chapter 70 money, and the money we are considering now is not Chapter 70 money. John Petersen agreed that literally the waterfall discussion that happened last February was not about what we're talking about now, but he advocated for considering the intent of the decision. Sustainability of the tax burden is always a question in front of the Committee, in his opinion.

Heather Harer said that if the Committee made a commitment, she supports that they abide by it, but they need to advocate for the children and be very careful that what is being compared is apples to apples. Another parent spoke from the audience saying that her child's teacher asked her to get her some help with the large class

sizes. That is why she attended the meeting. She stated that she feels she is representing the majority of parents in town. Another woman said that as a taxpayer that gets a cut, but then is asked for an override, this would be a very confusing message. John Petersen concluded the discussion by encouraging everyone to continue their participation.

Members agreed that Saturday, Feb 5, 2011 should be the all day Budget Session.

NEW BUSINESS

1. State Ballot Question 3 Resolution

The Regional School Committee voted on this resolution against Question 3 and a letter was sent to the Beacon.

2. Consent Calendar

7.2 Recommendation to Accept Gift from Conant School PTO

7.3 Recommendation to Accept Gift from Douglas School PTO

7.4 Recommendation to Accept Gift from Gates School PTO

7.5 Recommendation to Accept Gift from McCarthy-Towne School PTO

7.6 Recommendation to Accept Gift from Merriam School PTO

7.7 Recommendation to Accept Gift from Roche Brothers

It was moved, seconded and unanimously

VOTED: to accept these gifts with great gratitude.

Herman Kabakoff emphasized how much the community is contributing over and above their tax dollars. Mike Coppolino cautioned people about the vast discrepancy between the PTO funding and other gifts, and that the public education piece doesn't get lost.

3. Recommendation to Approve Gates Overnight Field Trip to Nature's Classroom

It was moved, seconded and unanimously

VOTED: to approve the Gates Overnight Field Trip to Nature's Classroom on
4/27/11 - 4/29/11

4. Recommendation to Approve Revised School Committee Policy's

Nondiscrimination Statement and Policy (File: AC) - SECOND READING

Every 6 years a coordinated program review is done and this is happening at APS next week. Civil rights, ESL and Special Education are the focus. Our Notice of Nondiscrimination and policy needed some required modification. We added wording regarding Limited English Proficiency (LEP) students and several minor corrections.

It was moved, seconded and unanimously

VOTED: to approve the amended version of the revised School Committee Policy's Nondiscrimination Statement and Policy

The amendment was to remove "(LEP)" from the statement because the other terms included do not show abbreviations.

5. Acceptance of Douglas School Before and After School Program Funding

It was moved, seconded and unanimously

VOTED: to accept \$114,191.00 of Douglas School Before and After School Program Funding to be spent on 185 hours of classroom assistant time.

6. Recommendation to Accept Gift from the Friends of the Acton Libraries

It was moved, seconded and unanimously

VOTED: to accept with gratitude, a gift of \$12,000 from the Friends of the Acton Libraries for the 5 elementary schools.

7. Recommendation to approve APS Non-Resident Tuition Rate for FY'11

Xuan Kong asked how other school districts set their rates and if it is a market rate or restricted in any way. Lexington uses an average of the regular and special education costs. Xuan moved to set the APS non-resident tuition rate for FY'11 at the state average of \$13,000 per student. This was seconded by Herman Kabakoff.

Discussion included why we would accept a student in this situation, given our large class sizes and that we are not participating in the school choice program. If special education issues come up, this would add significantly to the cost.

Xuan withdrew his motion.

John Petersen said that the policy implications should be discussed before setting a rate. The Committee agreed to wait on setting this rate. Sharon McManus said that this issue should be considered by the School Committee Policy Subcommittee at their upcoming meeting. The last comprehensive review of the policies was 5 or 6 years ago. Sharon felt that a joint discussion should be held regarding if it is time to do a comprehensive review. John Petersen will talk to Brigid Bieber about this. This was a major undertaking the last time it was done.

FOR YOUR INFORMATION

- 8.1 October 1 Enrollment Report
The 2nd grade, in particular, is in violation of the class size guidelines. Marie Altieri added that in the last week and a half, 5 kindergarteners (18 total students) have been enrolled. Enrollment projections will be discussed at the December School Committee meetings.
- 8.2 ELL Student Population Report – October 1, 2010
- 8.3 FY '10 Monthly APS Financial Reports
 - a. Budget Status Summary
 - b. Budget Status Summary Report – McCarthy-Towne
 - c. Budget Status Summary – SPED
- 8.4 Curriculum Update
 - a. Teacher to Teacher Initiative – Leadership Institute Action Step #2, SMART Goal #1
 - b. Protocol used for Visits, *National School Reform Faculty*
Dr. Mills highlighted this professional development, recognizing Deborah Bookis' work. 180 APS and AB staff are involved in the November 2nd Professional Development Day. Students are given the day off so staff can work collaboratively.
- 8.5 "Talking about Taxes: What is the Best Way to Pay for Services?", Oct 28, 6:30 – 8:00 p.m. Concord Town House, presented by Reps. Cory Atkins and Jay Kaufman
- 8.6 School Newsletters: website links
 - Conant Crier: <http://conant.ab.mec.edu/pto/newsletter.html>
 - Douglas Digest: <http://douglas.ab.mec.edu/index.html?pto/pto>
 - Gates Gazette: <http://gates.ab.mec.edu/gazette.html>

McCarthy-Towne Bulletin: <http://www.mctptso.org/bulletin/>
Merriam Community News: <http://merriam.ab.mec.edu/newsletters.html>
Acton Public School Preschool: <http://ab.mec.edu/Preschool/index.htm>

- 8.7 Dismissal Schedule for 11/24/10
- 8.8 5th Annual Special Education Parent Workshop, *"What does it take for our children to learn? How do we know they are learning?"* - Friday, Oct 29, 8:30 – 1:00 PM, Congregation Beth Elohim, Acton, Co-hosted by APS and ABRHS Pupil Services and the AB Special Education Parent Advisory Council (*This event was postponed.*)
- 8.9 *deleted*
- 8.10 2011-2012 Kindergarten Registration Schedule
- 8.11 MASC (Massachusetts Association of School Committees, Inc.) Annual Meeting, November 3, 2010
- 8.12 "DOE to Visit Schools", *Beacon Article*, 10/14/10, page 7
The Coordinated Program Review of the Acton Public Schools will be done the week of October 25th.

NEXT MEETINGS

November 18, 7:30 pm APS SC Meeting at Merriam School
November 4, 7:30 pm ABRSC Meeting at ABRHS Library

The meeting was adjourned at 9:25 pm.

Respectfully submitted,
Beth Petr

KINDERGARTEN ENTRANCE POLICY
(proposed changes 10/27/10)

Deleted: AND FIRST GRADE

The policy and procedures are designed to reduce the age span and therefore, normally, the developmental span in a classroom in order to enable instruction more suitably tailored to the children in the class.

Children reaching the age of five on or before September 1 are eligible and expected to be enrolled in Kindergarten in September of that calendar year.

If a parent feels the child is not ready to enter Kindergarten or first grade at the age appropriate time, the parent must make formal written request to the Superintendent of Schools by March 1 of the same calendar year which will be reviewed by a standing review committee of staff. That review procedure may include testing by the school system at the parent's expense.

Children reaching the age of 6 by September 1 are eligible and must be enrolled in school by September of that calendar year.

Deleted: We want to take this opportunity to remind parents of young children that the policy of the School Committee about entrance to Kindergarten has a corollary at grade one.¶

Deleted: The district will allow early admission to Kindergarten/grade 1, but only in exceptional circumstances, when a child's development is highly accelerated and s/he can succeed in all aspects of schooling at a very young age.¶

Deleted: Parents may apply for early admission if their child turns 5 years of age on or before January 1 of that school year.¶

School Calendar Survey Staff

Exit this survey

1. School Calendar Survey

Dear Parents,

The School Committee recognizes our increasingly diverse school population and would like feedback on whether it makes sense to continue to recognize certain religious holidays as "no school days" on the school calendar (Rosh Hashanah, Yom Kippur and Good Friday). In the past these religious holidays have been "no school days" due to a concern that we would have a significant number of staff and students absent due to their religious beliefs.

In addition, we would like to request feedback on having School start before Labor Day (and thus end earlier in June), or after Labor Day (and thus end later in June). State Law requires districts to schedule 180 school days plus five possible snow days, so each of these decisions affects how far into June school is scheduled.

Please complete this survey by Friday November 19th .
This survey is completely confidential. No names will be used.

Please fill out the survey once per family.

1. If school were held on Rosh Hashanah, would you keep your students out of school?:

- ☐ Yes
☐ No

2. If school were held on Yom Kippur, would you keep your students out of school?

- ☐ Yes
☐ No

3. If school were held on Good Friday, would you keep your students out of school?

- ☐ Yes
☐ No

4. Is there another traditional school day that your student would take off for religious reasons?

- ☐ Yes
☐ No

5. If yes, please specify the Religious Holiday

6. Would you prefer for school to start before Labor Day (Tuesday August 30), or after Labor Day (Wednesday September 7th)?

- ☐ Before Labor Day
- ☐ After Labor Day

7. Please rank the following four calendars in order of preference for 2011-2012 (Yom Kippur is on a Saturday in 2011). Please note: Starting before Labor Day would be August 30th. Also official end of school date may depend on the number of snow days.

	First Choice	Second Choice	Third Choice	Fourth Choice
Start Aug30,NO school on Rosh Hashanah & Good Fri, Last day June 14-21	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Start Aug30,HAVE school on Rosh Hashanah & Good Fri. Last day June 12-19	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Start Sept7,NO school on Rosh Hashanah & Good Fri. Last day June 20 -27	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Start Sept 7, HAVE school on Rosh Hashanah & Good Fri. Last day June 18-25	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>



8. Please check each school where one of your children is attending:

- ☐ ABRHS
- ☐ R.J. Grey
- ☐ Conant
- ☐ Douglas
- ☐ Gates
- ☐ McT
- ☐ Merriam





9. Comments:


Done



6. Z.
(A)

From:  <MABAshton@aol.com> Wednesday, November 10, 2010 6:06:24 PM 

Subject: Draft Fincom Point of View for FY12

To:  <bos@acton-ma.gov>  <apsc@acton-ma.gov>  <sledoux@acton-ma.gov>
 smills@mail.ab.mec.edu

Cc:  <fincom@acton-ma.gov>

Attachments:  Attach0.html 7K
 FirstDraftofFinComPointofViewfor201211.10.10.docx 86K

Dear Members of the School Committees and Board of Selectmen, Town Manager Ledoux, and Superintendent Mills,

Last night the Finance Committee discussed the attached draft of our Point of View for the FY12 budget and voted in favor of the following motion:

That the Finance Committee adopt the....First Draft Point of View with Respect to Budget Planning for FY2012 (the "FY 2012 Point of View") and, further, that the FY2012 Point of View be transmitted to all relevant interested parties, as determined by the Chair, with an invitation to comment.

Through our discussion, we concurred that the complete document represents a breadth of opinions on the budget that are held by the Finance Committee members. We'd welcome your response to our Point of View before our next meeting on Tuesday, November 30, when we expect to finalize and distribute more broadly to the public.

In the past, the POV has focused on the current year (FY12) and contemplated the potential revenues, requirements of the bottom line budgets, and appropriate use of reserves. This year, however, the unresolved funding for the Waterfall Proposal agreed to as part of the FY11 budgets has overshadowed this clarity. As a result, we have incorporated language to resolve the issue as part of the construct of the FY12 budgets in order to insure taxpayers that their interests are represented fairly.

To be precise, \$500,000 of tax relief is the target to fulfill promises to the voters at Town Meeting which were implicit in the plans we presented and the budgets that were approved. I would be remiss if I did not underscore the growing disappointment among my colleagues with the handling of the Waterfall proposal. As one of our members stated last night, "Everyone has received what they expected from the Waterfall except the taxpayer."

We will look forward to hearing your discussion at your next meetings and welcome questions you have in the meantime.

Mary Ann Ashton
Chair, Acton Finance Committee

Town of Acton Finance Committee

FY2012 Finance Committee Point of View with Respect to the 2012 Budget Planning Process

Background

Intent

- ❑ This memorandum is intended to describe the Town of Acton Finance Committee's Point of View with respect to planning for the FY2012 Town and School Budgets.
- ❑ As with prior FinCom Points of View, we invite comments back from the relevant operating boards and administrators.

The Overall Economy

- ❑ While the economy is technically not in a recession, growth is anemic. The current macro-economic climate is trending neutrally at a low performance level.
- ❑ Despite the technicality of not being in a recession, financial pressure on households is intense, arising from multiple sources such as high unemployment, long unemployment, foreclosures, reduced incomes, reduced hours of income generating activity, declining home values, sharply increasing health care costs, continuing rapid growth in college expenses and flat-level funding of Social Security, to name just a few.
- ❑ Jobs are the number one issue. For the last three months, the national unemployment rate has been 9.6%. The last time the rate was below 9% was April 2009, 17 months ago. The recovery, while in progress, will be much slower than we have seen with other recessions.
- ❑ There are some positive signs, if a bit hidden. Consumer confidence is low but has bounced off the bottom and is choppily trending up. Consumer debt has declined over the last two years, as households perform the heavy lifting of aligning debt levels with reduced incomes.
- ❑ Also, inflation is not a major factor in our current deliberations, and deflation is being attacked right now by an aggressive Federal Reserve program of purchasing securities.
- ❑ Given the recent political events on the national stage, it is highly unlikely that the same forms of "stimulus" that bolstered state and local revenues over the last two years will continue.
- ❑ Although the national economy is experiencing signs of recovery, local governments will continue to lag behind by 12 to 18 months and will be the last sector to emerge from recession.

State of Massachusetts Fiscal Picture

- ❑ Overall, the picture has improved from last year, but budget pressures remain intense.
- ❑ The size of the budget deficit at the State level for FY2012 is commonly targeted to be in the range of \$2 billion.
- ❑ The latest results on the referenda were mixed, with the elimination of the sales tax on alcohol (approximately \$125 million per year) being approved, but the reduction in the overall sales tax (approximately \$2 billion per year) being rejected.
- ❑ Some recent month over month DoR reports have showed better than anticipated results, which is exactly the opposite of last year at this time.
- ❑ Pressure on all Cherry Sheet revenues will be intense as the State attempts to maintain Chapter 70 school aid at current levels. The utilization of any remaining federal stimulus monies at the local level will not completely offset this pressure, especially in special education and transportation.
- ❑ Historically, when the state budget is strained, municipal finances are disrupted.
- ❑ (Please see at the end of this POV an up to date chart, entitled "Change in GDP vs. Change in State Aid" for some historical perspective.)

A Comment on FY2011

Last year, during a time of great volatility in state revenue projections, the Finance Committee proposed a policy now known as the Waterfall, which the Board of Selectmen and School Committees voted to approve and was used as part of the presentation at Town Meeting.

To our great good fortune, revenues came in far in excess of expectations. The Waterfall policy must be implemented this year to provide taxpayer relief as all Boards agreed last spring. Ample revenue sources are in place and must be allocated properly prior to the setting of the tax rate in December. If for some reason, the Waterfall policy does not get implemented, despite the availability of funds, the remaining amount calculated and due for property tax relief should be taken off the top before allocations according to the split.

Point of View with Respect to Acton's FY 2012 Budget

Current Reserves Assumptions

The following assumptions with respect to reserves were used in creating this document.

Reserve	Amounts from FY2011 POV (for Reference Only)	Approximate Amount for FY2012
Free Cash	\$2.3 million	\$4.7 million
NESWC Fund Balance	\$4.3 million	\$2.4 million
NESWC Environmental Damages Fund	N/A (not broken out separately)	\$1.0 million
E&D	\$1.0 million	\$1.44 million (Acton's share, including additional transportation aid for FY2011)
Overlay Undeclared Surplus	\$1.275 million	\$0
Allocation of Free Cash from October Special Town Meeting	N/A	(\$0.316) million
Total Reserves	\$8.875 million	\$9.224 million

There are some other atypical sources of restricted funds that should be noted:

Additional Source of Funds	Approximate Amount
ARRA Federal Grant	\$540k (Acton's share)
EduJobs Grant	\$698k (Acton's share)
Total Additional Sources of Funds	\$1.238 million

The Health Insurance Trust remains in strong shape. The latest report is as follows:

1. On a modified cash-flow basis, FY2011 continues to be a good year.
2. The trust is running a positive variance of \$500,923.
3. A draft audit for FY2010 showed a small operating loss, modestly exceeded by investment income, resulting in a slight increase in net assets to \$2.96 million.
4. Exclusive of Incurred but Not Recorded (IBNR) expenditures, the trust has over 20% net assets as a proportion of expenses.

The Current State of Acton Finance

- ❑ The financial management of the Town and Schools is well respected, as manifested by the AAA bond rating from Standard & Poor's Ratings Service.
- ❑ The Town of Acton's overall financial position is strong, due to prudent cost and expenditure controls.
 - The slate of major capital investments occurred in the late 90's and early 00's, so major infrastructure is in good condition and capacity is adequate for expected future needs.
 - The continuing investment via Community Preservation Act funding is a relief valve for what otherwise might increase pressure for capital investment.
- ❑ With respect to the balance sheet, Acton is in strong shape with substantial reserves. Balance sheet sources of cash, such as free cash, E&D and NESWC fund balances continue to provide latitude with respect to financial decisions, although, with an expected deficit of \$2.0 billion in state revenues and an expected halt to federal stimulus supports, this latitude is and will be under pressure.
- ❑ It is worth noting that the school system has received extraordinary cash inflows since our POV of last year (\$'s are all Acton's share):

○ Chapter 70 funding increase over initial budget:	+\$1,216k
○ One time adjustment of Transportation Aid	+\$ 491k
○ ARRA Federal Grant	+\$ 541k
○ EduJobs Grant	<u>+\$ 698k</u>
○ Total School Revenues Above Expectations	+\$2,946k
- ❑ With respect to the income statement:
 - Revenue from property taxes remains steady with no major delinquency trends appearing.
 - With respect to Fees collected, we are aware of no material change in trend.
 - Cost and spending control is a continuous focus. Each operating entity is managing budgets very conservatively.
 - The FinCom has confidence that the administrations of the operating entities understand the magnitude of the current fiscal problems and will vigorously take the appropriate actions related thereto.

Overall FY2012 Budget Planning

- ❑ The focus for FY2012 must be on control of labor costs.
- ❑ The operating entities should target a 0% increase in the FY2012 budget over the FY2011 budget, exclusive of health insurance costs.
- ❑ To be more specific, the operating entities should target a 0% increase in total labor costs, exclusive of health insurance costs. For purposes of this note, labor costs include the costs of built in increases in compensation, such as steps and lanes and retirement bonuses.
- ❑ To achieve this objective, the operating entities must negotiate labor agreements that result in 0% increase in compensation costs. The efforts to increase the share employees pay for health insurance is a positive trend that must continue.
- ❑ The operating entities should continue strict hiring restrictions, not pay any bonuses, and allow attrition to reduce headcount where appropriate.
- ❑ It must be acknowledged that service level reductions, including layoffs, will be necessary to meet this goal.
- ❑ There is no need for an operating override and no other override (capital or debt exclusion) is on the horizon.
- ❑ Capital plans should focus on maintaining existing assets and, if essential, should be funded within Proposition 2 ½ limits, unless the dollar cost of the essential need is simply too large.
- ❑ No more than \$2 million in reserves should be allocated to plug the revenue gap in the budget. Prudently this will leave approximately \$7.2 million in the primary reserves of Free Cash, E&D and NESWC Fund Balance accounts.

As noted above, if for some reason the Waterfall policy does not get implemented, despite the availability of funds, the remaining amount calculated and due for property tax relief should be taken off the top before allocations according to the split.

Driver Expectations

- ❑ Labor Costs. Labor costs comprise more than three quarters of our total budget.
 - From 2007 to 2010, compensation costs have escalated rapidly; in part because of rapidly escalating health insurance costs and in part due to collective bargaining agreements which were made when economic times were better.
 - For example, a typical teacher with a Masters Degree plus 15 years of experience saw their salary increase 24% from 2007 to 2010 which is an average of about 8 % per year. Health Insurance costs escalated at about that same rate. A typical Police/ Fire dispatcher saw their salary increase by 6.5% over the same period which is about 2.2% per year. However they too would have seen health insurance costs increase at the 8% per year level driving up the total compensation costs.
 - The continuing increases in labor costs that have occurred over the last several years are unsustainable.
 - The straight facts are that our current employees will need to make a choice about whether there will be reductions in force or lower overall compensation.
 - The operating entities should target a 0% increase in total compensation, exclusive of health insurance costs.
- ❑ Morale and the Future. We must acknowledge the extraordinary work, effort, spirit and competence of our employees. Our Town's success in all dimensions would not occur without their capabilities and steady work. The Great Recession and the constant drumbeat for lower compensation levels wear on our employees. We must recognize their discomfort and work to ensure that they understand the reasons for these tight budgets. Further, in the future, as in the past, staff must be encouraged to believe that the citizens of the Town of Acton will be ready to support very competitive compensation levels when the circumstances change again, as surely they will.
- ❑ Personnel. Growth in personnel for both major operating entities should be tied into the settlements of labor negotiations. With limited dollars available for labor costs, any increase in individual compensation will need to be offset by changes in other elements, such as headcount.
- ❑ Benefits adjustment. Of course, benefits are a component of overall compensation. Broadly speaking, the benefits supplied to our employees are more favorable than in other communities to which we benchmark. Something has to give. The most notable area is with respect to Health Care reimbursement. The levels that the Town and Schools pay for employee health care must be reduced. Early Retirement Incentive for all employees should be examined and reduced, as this item is significantly mis-aligned with the compensation structures of the tax paying citizenry and other benchmarked communities.
- ❑ Chapter 70 funding is volatile. At this time, local aid allocated via the Chapter 70 formula should be budgeted at a level of 10% lower in FY2012 than for FY2011. This number is a placeholder at this time, pending better information.
- ❑ Health insurance expense. The Trustees of the Health Insurance Trust believe that underlying health inflation is running at about 9%. We do not have any information to contradict this assumption about costs, although the Trust itself is in strong financial position. This could be an area of savings as certainty increases.
- ❑ Utilities Expense. Utility costs should be level funded or reduced through energy efficiencies. Grant monies that become available should be focused on these goals.

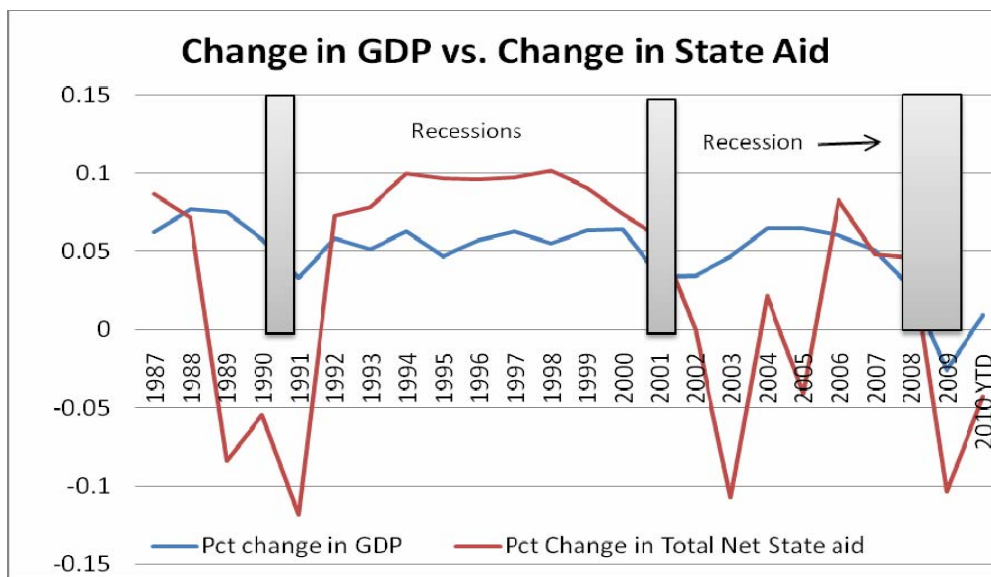
Revenue Split

- ❑ Any unfulfilled obligations for FY2011 tax relief, pursuant to the FY2011 Waterfall policy should be deducted from revenues allocated to the schools and designated to FY2012 tax relief.

- ❑ Else, the revenue split in place should be maintained.
- ❑ As a lagging and nagging general principle, the “Town” side of the revenue split should increase over time. The Finance Committee should take on this critical issue and make recommendations to the operating entities.

Citizen Expectations with respect to Taxes and Services

- ❑ Revenue from property taxes is our most stable source. At this time, it is not prudent to consider a taxation level below the 2 ½% trigger point.
- ❑ The tax relief components of the Waterfall public policy should be implemented.
- ❑ It is very likely that taxpayers will face increased difficulty in paying taxes, so all abatement programs must be actively advertised.
- ❑ Similarly, other Town and School services that can provide support for vulnerable citizens, including transportation and health services, should be highlighted and marketed aggressively.
- ❑ Citizens should be prepared to experience service reductions in the short term as the policies of the operating entities engage. Similarly, all citizens should be aware that the capacity to respond to requests not contemplated in the annual budget will be limited in order to preserve flexibility necessary to accommodate the changing economic picture.



NOVEMBER 16, 2010

FOR 2011 13

	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENC/REQ	AVAILABLE BUDGET	PCT USED

1005 GENERAL FUND SCHOOL							

01 SALARIES, TEACHING	12,053,190	-110,182	11,943,008	2,783,220.61	9,200,210.53	-40,423.14	100.3%
02 SALARIES, PRINCIPALS	532,710	173,477	706,187	273,314.00	459,759.50	-26,886.50	103.8%
03 SALARIES, CENTRAL AD	405,664	0	405,664	152,323.72	255,209.91	-1,869.63	100.5%
04 SALARIES, SUPP STAFF	2,949,771	-63,295	2,886,476	744,268.98	1,978,787.39	163,419.63	94.3%
06 SALARIES, BUILDINGS	247,342	0	247,342	109,427.50	140,107.86	-2,193.36	100.9%
07 SALARIES, CUSTODIAL	658,951	0	658,951	230,388.21	357,424.01	71,138.78	89.2%
08 SALARIES, HOME INSTR	1,019	0	1,019	.00	.00	1,019.00	.0%
09 SALARIES, SUBSTITUTE	265,973	1,000	266,973	75,032.13	8,970.60	182,970.27	31.5%
10 FRINGES, COURSE REIM	17,000	0	17,000	8,203.25	.00	8,796.75	48.3%
11 FRINGES, HEALTH INSU	3,628,313	0	3,628,313	1,451,982.91	.00	2,176,330.09	40.0%
16 INSTRUCTIONAL SUPPLI	232,400	-4,052	228,348	124,737.30	37,182.26	66,428.67	70.9%
17 INSTRUCTIONAL TEXTBO	83,379	3,552	86,931	40,357.67	15,515.45	31,057.65	64.3%
18 INSTRUCTIONAL, LIBRA	17,042	0	17,042	6,434.13	2,280.30	8,327.57	51.1%
19 OTHER, CAPITAL OUTLA	262,688	-500	262,188	168,791.80	14,723.26	78,672.94	70.0%
23 OTHER, MAINTENANCE B	211,468	0	211,468	87,190.19	13,052.51	111,225.30	47.4%
24 OTHER, MAINTENANCE O	83,998	0	83,998	51,855.03	8,030.92	24,112.05	71.3%
26 OTHER, LEGAL SERVICE	65,000	0	65,000	742.50	.00	64,257.50	1.1%
27 OTHER, ADMIN SUPPLIE	189,879	0	189,879	79,287.27	15,818.96	94,772.77	50.1%
29 OTHER, CUSTODIAL SUP	45,100	0	45,100	27,193.37	241.21	17,665.42	60.8%
30 OTHER, SPED TRANSPOR	446,033	0	446,033	223,016.50	223,016.50	.00	100.0%
31 OTHER, STUDENT TRANS	338,716	0	338,716	239,035.44	7,226.21	92,454.35	72.7%
32 OTHER, TRAVEL	11,761	0	11,761	2,817.27	4,339.00	4,604.73	60.8%
33 OTHER, SPED TUITION/	2,192,407	0	2,192,407	642,743.25	1,818,506.46	-268,842.71	112.3%
34 OTHER, UTILITIES	970,645	0	970,645	229,653.76	25,337.46	715,653.78	26.3%
 TOTAL GENERAL FUND SCHOOL	 25,910,449	 0	 25,910,449	 7,752,016.79	 14,585,740.30	 3,572,691.91	 86.2%
 GRAND TOTAL	 25,910,449	 0	 25,910,449	 7,752,016.79	 14,585,740.30	 3,572,691.91	 86.2%

** END OF REPORT - Generated by Denise Kelly **

Note: The following will be reclassified from Appropriated once monies are received and processed:

Circuit Breaker Reimbursement	\$342,815
ARRA SFSF	\$ 27,204
ARRA IDEA	\$142,270
Ed Jobs	\$353,078

NOVEMBER 16, 2010

FOR 2011 13

	ORIGINAL APPROP	TRANFRS/ ADJUSTMTS	REVISED BUDGET	YTD EXPENDED	ENC/REQ	AVAILABLE BUDGET	PCT USED

1005 GENERAL FUND SCHOOL							

2210 SCHOOL BLDG LEADERSHIP							

10041101 51406 PRINCIPAL	105,560	45,949	151,509	60,793.80	96,349.68	-5,634.48	103.7%*
10041102 51502 SECRETARY	60,261	0	60,261	13,003.83	43,223.10	4,034.07	93.3%
10041102 51503 SECRETARY, SUB	525	0	525	.00	.00	525.00	.0%
10140401 52410 DUES & MEMBERSHIPS	500	0	500	.00	.00	500.00	.0%
10141101 52403 PRINTING	500	0	500	.00	.00	500.00	.0%
10141101 52406 POSTAGE	450	0	450	394.76	.00	55.24	87.7%
10141102 54337 OFFICE SUPPLIES	4,500	0	4,500	.00	.00	4,500.00	.0%
TOTAL SCHOOL BLDG LEADERSHIP	172,296	45,949	218,245	74,192.39	139,572.78	4,479.83	97.9%
2250 BLDG TECHNOLOGY							

10045402 51601 COMPUTER ASSISTANT	14,269	0	14,269	4,518.00	10,513.89	-762.89	105.3%*
10045402 51635 M WEBSITE/MCAD COOR	1,500	0	1,500	.00	.00	1,500.00	.0%
TOTAL BLDG TECHNOLOGY	15,769	0	15,769	4,518.00	10,513.89	737.11	95.3%
2305 TEACHERS CLASSROOM							

10041201 51408 ART TEACHER	83,336	0	83,336	27,766.31	60,343.38	-4,773.69	105.7%*
10041501 51408 MUSIC TEACHER	69,377	0	69,377	15,057.99	50,639.14	3,679.87	94.7%
10041801 51408 SPED TEACHER	291,873	0	291,873	68,262.24	238,917.80	-15,307.04	105.2%*
10042101 51408 KINDERGARTEN TEACHER	157,818	0	157,818	36,776.94	128,719.55	-7,678.49	104.9%*
10045501 51408 READING TEACHER	92,289	0	92,289	11,874.42	38,537.88	41,876.70	54.6%
10045601 51408 ELEMENTARY ED TEACHE	1,460,263	0	1,460,263	331,334.23	1,130,913.15	-1,984.38	100.1%*
TOTAL TEACHERS CLASSROOM	2,154,956	0	2,154,956	491,072.13	1,648,070.90	15,812.97	99.3%
2310 TEACHERS SPECIALISTS							

10041802 51418 SPEECH TEACHER	76,289	0	76,289	17,605.14	61,618.05	-2,934.19	103.8%*

NOVEMBER 16, 2010

FOR 2011 13

	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENC/REQ	AVAILABLE BUDGET	PCT USED

TOTAL TEACHERS SPECIALISTS	76,289	0	76,289	17,605.14	61,618.05	-2,934.19	103.8%
2330 PARAPROF/INSTR ASSTS							

10041803 51624 SPED EDUCATION ASST	187,385	0	187,385	39,448.69	119,958.49	27,977.82	85.1%
10042102 51601 KINDERGARTEN ASST	0	0	0	6,674.77	24,754.24	-31,429.01	100.0%*
10045502 51601 RDG/CLSSRM ASST	31,228	0	31,228	8,619.29	24,819.45	-2,210.74	107.1%*
10045701 51601 MEDIA ASSISTANT	20,208	0	20,208	4,961.90	16,068.34	-822.24	104.1%*
TOTAL PARAPROF/INSTR ASSTS	238,821	0	238,821	59,704.65	185,600.52	-6,484.17	102.7%
2353 TEACHER/INSTR PROF DAYS							

10140402 51412 PROF/AA SUB TEACHER	5,000	0	5,000	491.81	.00	4,508.19	9.8%
TOTAL TEACHER/INSTR PROF DAYS	5,000	0	5,000	491.81	.00	4,508.19	9.8%
2357 PROF DEVELOPMENT							

10140404 52409 CONFERENCES	2,234	0	2,234	1,180.00	1,325.00	-271.00	112.1%*
TOTAL PROF DEVELOPMENT	2,234	0	2,234	1,180.00	1,325.00	-271.00	112.1%
2410 TEXTS, SOFTWARE, MEDIA							

10051801 54334 EDUC NEEDS TEXTS	622	0	622	.00	.00	622.00	.0%
10081501 54305 TEXTBOOKS	1,009	0	1,009	.00	429.16	579.84	42.5%
10142302 54305 LANGUAGE ARTS TEXTBO	500	0	500	.00	.00	500.00	.0%
10142402 54305 MATH TEXTBOOKS	8,000	0	8,000	.00	.00	8,000.00	.0%
10142602 54305 SOCIAL STUDIES TEXTB	5,000	0	5,000	.00	.00	5,000.00	.0%
10145702 54331 MEDIA CENTER TEXTBOO	2,000	0	2,000	.00	.00	2,000.00	.0%
TOTAL TEXTS, SOFTWARE, MEDIA	17,131	0	17,131	.00	429.16	16,701.84	2.5%
2415 OTHER INSTR MATERIALS							

10051802 54332 EDUC NEEDS SUPPLIES	571	0	571	.00	625.00	-54.00	109.5%*

NOVEMBER 16, 2010

FOR 2011 13

	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENC/REQ	AVAILABLE BUDGET	PCT USED
10051802 54333 SPEECH SUPPLIES	429	0	429	.00	.00	429.00	.0%
10081502 54302 EDUCATION SUPPLIES	1,035	0	1,035	641.95	253.27	139.78	86.5%
10091201 54302 EDUCATION SUPPLIES	5,727	0	5,727	900.49	1,609.84	3,216.67	43.8%
10142301 54302 LANGUAGE ART SUPPLIE	3,500	0	3,500	.00	.00	3,500.00	.0%
10142401 54302 MATH SUPPLIES	8,500	0	8,500	9,070.53	.00	-570.53	106.7%*
10142501 54302 SCIENCE SUPPLIES	4,000	0	4,000	429.83	127.08	3,443.09	13.9%
10142601 54302 SOCIAL STUDIES SUPPL	500	0	500	99.45	.00	400.55	19.9%
10145501 54302 READING SUPPLIES	500	0	500	.00	.00	500.00	.0%
10145601 54302 ELEM ED SUPPLIES	23,000	0	23,000	11,790.73	3,397.57	7,811.70	66.0%
10145701 54329 MEDIA CENTER SUPPLIE	450	0	450	1,081.57	.00	-631.57	240.3%*
TOTAL OTHER INSTR MATERIALS	48,212	0	48,212	24,014.55	6,012.76	18,184.69	62.3%
2420 INSTRUCTIONAL EQUIPMENT							
10141106 58708 INSTRUCTIONAL EQUIPM	2,000	0	2,000	.00	.00	2,000.00	.0%
TOTAL INSTRUCTIONAL EQUIPMENT	2,000	0	2,000	.00	.00	2,000.00	.0%
2451 CLASSROOM INSTR TECHNOLOGY							
10061102 54327 TECHNOLOGY SUPPLIES	1,284	0	1,284	200.00	200.00	884.00	31.2%
TOTAL CLASSROOM INSTR TECHNOLOGY	1,284	0	1,284	200.00	200.00	884.00	31.2%
2710 GUIDANCE/ADJUST COUNSELORS							
10041104 51423 COUNSELOR	89,939	0	89,939	25,696.86	68,524.95	-4,282.81	104.8%*
10051101 54336 COUNSELING SUPPLIES	184	0	184	.00	.00	184.00	.0%
TOTAL GUIDANCE/ADJUST COUNSELORS	90,123	0	90,123	25,696.86	68,524.95	-4,098.81	104.5%
3200 MEDICAL/HEALTH SVCS							
10041106 51414 NURSE	66,469	0	66,469	15,339.00	53,686.50	-2,556.50	103.8%*
10051103 54303 HEALTH SUPPLIES	546	0	546	61.09	.00	484.91	11.2%

NOVEMBER 16, 2010

FOR 2011 13

	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENC/REQ	AVAILABLE BUDGET	PCT USED
<hr/>							
TOTAL MEDICAL/HEALTH SVCS	67,015	0	67,015	15,400.09	53,686.50	-2,071.59	103.1%
3300 TRANSPORTATION SVCS	<hr/>						
10080503 51605 BUS DRIVER	90	0	90	.00	.00	90.00	.0%
10081504 52429 STUDENT TRANSPORTATI	91	0	91	.00	.00	91.00	.0%
TOTAL TRANSPORTATION SVCS	181	0	181	.00	.00	181.00	.0%
3400 FOOD SERVICES	<hr/>						
10041107 51618 MONITOR	14,494	0	14,494	4,497.10	12,115.19	-2,118.29	114.6%*
TOTAL FOOD SERVICES	14,494	0	14,494	4,497.10	12,115.19	-2,118.29	114.6%
3510 ATHLETICS	<hr/>						
10041601 51408 PHYSICAL ED TEACHER	62,993	0	62,993	16,216.20	49,479.92	-2,703.12	104.3%*
10141601 54302 PHYSICAL EDUCATION S	700	0	700	769.60	.00	-69.60	109.9%*
TOTAL ATHLETICS	63,693	0	63,693	16,985.80	49,479.92	-2,772.72	104.4%
4110 CUSTODIAL SERVICES	<hr/>						
10041301 51604 CUSTODIAN	128,148	0	128,148	46,304.91	83,205.64	-1,362.55	101.1%*
10041301 51625 CUSTODIAL SUBSTITUTE	12,350	0	12,350	908.93	.00	11,441.07	7.4%
10071301 52460 CUSTODIAN CONTRACT S	7,880	0	7,880	3,636.99	.00	4,243.01	46.2%
10071302 54304 CUSTODIAL SUPPLIES	8,200	0	8,200	4,753.01	.00	3,446.99	58.0%
TOTAL CUSTODIAL SERVICES	156,578	0	156,578	55,603.84	83,205.64	17,768.52	88.7%
4120 HEATING OF BUILDINGS	<hr/>						
10071303 52504 GAS HEAT	45,915	0	45,915	1,926.53	.00	43,988.47	4.2%

NOVEMBER 16, 2010

FOR 2011 13

	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENC/REQ	AVAILABLE BUDGET	PCT USED

TOTAL HEATING OF BUILDINGS	45,915	0	45,915	1,926.53	.00	43,988.47	4.2%
4130 UTILITY SERVICES							

10031101 52507 TELEPHONE	2,200	0	2,200	557.73	1,812.27	-170.00	107.7%*
10031101 52512 CELLULAR PHONES	1,000	0	1,000	49.80	.00	950.20	5.0%
10071304 52501 ELECTRICITY	150,503	0	150,503	47,354.31	.00	103,148.69	31.5%
10071304 52508 WATER	1,419	0	1,419	853.78	.00	565.22	60.2%
TOTAL UTILITY SERVICES	155,122	0	155,122	48,815.62	1,812.27	104,494.11	32.6%
4220 MAINT OF BUILDINGS							

10071306 52411 HVAC SERVICES	7,324	0	7,324	3,481.35	33.44	3,809.21	48.0%
10071306 52414 FAC PREVENT MNT	13,026	0	13,026	4,396.80	546.40	8,082.80	37.9%
10071307 54308 BUILDINGS SUPPLIES	1,999	0	1,999	.00	.00	1,999.00	.0%
TOTAL MAINT OF BUILDINGS	22,349	0	22,349	7,878.15	579.84	13,891.01	37.8%
4225 BLDG SECURITY SYSTEMS							

10041302 51620 SECURITY OT	6,300	0	6,300	2,316.89	.00	3,983.11	36.8%
TOTAL BLDG SECURITY SYSTEMS	6,300	0	6,300	2,316.89	.00	3,983.11	36.8%
4230 MAINT OF EQUIPMENT							

10031102 52510 TELEPHONE MAINTENANC	3,600	0	3,600	951.06	.00	2,648.94	26.4%
10081505 52415 EQUIPMENT MAINTENANC	409	0	409	.00	.00	409.00	.0%
10141107 52456 MAINT OFFICE EQUIPME	8,500	0	8,500	240.17	725.99	7,533.84	11.4%
TOTAL MAINT OF EQUIPMENT	12,509	0	12,509	1,191.23	725.99	10,591.78	15.3%
4450 TECHNOLOGY MAINTENANCE							

10061104 52415 EQUIPMENT MAINTENANC	2,378	0	2,378	315.00	.00	2,063.00	13.2%

11/16/2010 14:27 | TOWN OF ACTON / ACTON PUBLIC SCHOOLS
 dkelly | FY'11 MERRIAM BY DESE FUNCTION CODE

| PG 6
 | glytdbud

NOVEMBER 16, 2010

FOR 2011 13

	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENC/REQ	AVAILABLE BUDGET	PCT USED

TOTAL TECHNOLOGY MAINTENANCE	2,378	0	2,378	315.00	.00	2,063.00	13.2%
7100 PURCHASE OF LAND	-----						
10071101 58710 OUTLAY GROUNDS	1,948	0	1,948	181.45	.00	1,766.55	9.3%
TOTAL PURCHASE OF LAND	1,948	0	1,948	181.45	.00	1,766.55	9.3%
7200 PURCHASE OF BUILDINGS	-----						
10071102 58710 OUTLAY BUILDINGS	3,114	0	3,114	1,250.81	.00	1,863.19	40.2%
TOTAL PURCHASE OF BUILDINGS	3,114	0	3,114	1,250.81	.00	1,863.19	40.2%
7400 REPLACEMENT OF EQUIPMENT	-----						
10141108 58712 OUTLAY/REPLC EQUIP	10,000	0	10,000	534.98	.00	9,465.02	5.3%
TOTAL REPLACEMENT OF EQUIPMENT	10,000	0	10,000	534.98	.00	9,465.02	5.3%
TOTAL GENERAL FUND SCHOOL	3,385,711	45,949	3,431,660	855,573.02	2,323,473.36	252,613.62	92.6%
TOTAL EXPENSES	3,385,711	45,949	3,431,660	855,573.02	2,323,473.36	252,613.62	
GRAND TOTAL	3,385,711	45,949	3,431,660	855,573.02	2,323,473.36	252,613.62	92.6%

** END OF REPORT - Generated by Denise Kelly **

NOVEMBER 16, 2010

FOR 2011 13

	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENC/REQ	AVAILABLE BUDGET	PCT USED

1005 GENERAL FUND SCHOOL							

05 SW SPECIAL EDUCATION							

05010501 52401 SPED LEGAL SERVICES	45,000	0	45,000	375.00	.00	44,625.00	.8%
11040501 51502 PS:SECRETARY	47,020	0	47,020	21,492.97	48,467.83	-22,940.80	148.8%*
14040501 51411 SPED CHAIRPERSON	92,000	0	92,000	35,249.00	60,275.90	-3,524.90	103.8%*
14040524 51419 COORDINATOR	27,104	0	27,104	10,384.50	17,757.45	-1,037.95	103.8%*
14050503 51433 SUMMER PROGRAM STIPE	38,800	0	38,800	54,197.00	.00	-15,397.00	139.7%*
14050504 51615 SUMMER SPED ASST	38,800	0	38,800	61,317.49	.00	-22,517.49	158.0%*
14050509 54305 SPED TEXTBOOKS	2,371	0	2,371	2,063.05	519.00	-211.05	108.9%*
14050510 54302 OCCUPATIONAL THERAPY	822	0	822	716.64	22.95	82.41	90.0%
14050511 52409 IN SERVICE CONFERENC	1,152	0	1,152	125.00	.00	1,027.00	10.9%
14050520 51409 REFERRAL TO SPECIALI	0	0	0	12,998.34	500.00	-13,498.34	100.0%*
14050521 52443 SPED REFERRAL TO SPE	114,586	0	114,586	20,487.88	84,475.00	9,623.12	91.6%
14050521 52452 SUMMER PROGRAM, CS	43,650	0	43,650	.00	.00	43,650.00	.0%
14050522 52462 PS SEC 504 CONTR SVC	996	0	996	.00	.00	996.00	.0%
TOTAL SW SPECIAL EDUCATION	452,301	0	452,301	219,406.87	212,018.13	20,876.00	95.4%
18 SPECIAL EDUCATION							

05051801 52416 SPED INDEP EVALUATIO	4,840	0	4,840	525.00	375.00	3,940.00	18.6%
05051802 52404 SPED PERIODICALS/SUB	780	0	780	51.00	720.00	9.00	98.8%
05051802 52406 SPED POSTAGE	2,614	0	2,614	2,614.00	.00	.00	100.0%
05051802 52407 SPED INSVC CONFERENC	341	0	341	200.00	.00	141.00	58.7%
05051802 52408 SPED TRAVEL - LOCAL	176	0	176	.00	.00	176.00	.0%
05051802 52410 SPED DUES & FEES	296	0	296	.00	.00	296.00	.0%
05051802 52455 SPED MNT COPY EQUIP	3,371	0	3,371	2,059.86	1,231.14	80.00	97.6%
05051802 52456 SPED MNT OFFICE EQUI	275	0	275	285.00	.00	-10.00	103.6%*
05051803 54301 SPED OFFICE SUPPLIES	3,402	0	3,402	2,910.47	478.77	12.76	99.6%
05051804 58708 SPED OUTLAY EQUIP	10,650	0	10,650	9,513.20	4,122.29	-2,985.49	128.0%*
05051805 52424 MEDICAID SERVICES	1,040	0	1,040	.00	.00	1,040.00	.0%
05051806 52413 SPED MEDICAL SERVICE	2,421	0	2,421	.00	.00	2,421.00	.0%
05051807 52425 SPED TUITION - CASE	501,007	0	501,007	204,522.50	248,022.50	48,462.00	90.3%
05051808 52426 SPED TUITION PRIVATE	1,163,435	0	1,163,435	150,760.05	1,016,463.76	-3,788.81	100.3%
05051808 52465 CIRCUIT BREAKER TUIT	-321,575	0	-321,575	.00	.00	-321,575.00	.0%*
05051810 52430 CO: SPED CASE TRANSP	446,033	0	446,033	223,016.50	223,016.50	.00	100.0%
06041801 51408 SPED TEACHER	281,717	0	281,717	65,785.86	230,250.45	-14,319.31	105.1%*

NOVEMBER 16, 2010

FOR 2011 13

	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENC/REQ	AVAILABLE BUDGET	PCT USED
06041802 51418 SPEECH TEACHER	75,135	0	75,135	17,338.92	60,686.15	-2,890.07	103.8%*
06041803 51624 SPED EDUCATION ASST	210,246	0	210,246	34,629.53	107,820.20	67,796.27	67.8%
06051801 54305 RES TEXTBOOKS	521	0	521	659.29	.00	-138.29	126.5%*
06051802 54332 EDUC NEEDS SUPPLIES	575	0	575	479.10	760.30	-664.40	215.5%*
06051802 54333 SPEECH SUPPLIES	429	0	429	258.60	.00	170.40	60.3%
07041801 51408 SPED TEACHER	156,169	0	156,169	40,533.60	123,940.00	-8,304.60	105.3%*
07041802 51418 SPEECH TEACHER	90,863	0	90,863	20,968.38	73,389.35	-3,494.73	103.8%*
07041803 51624 SPED EDUCATION ASST	85,689	0	85,689	15,285.80	44,817.52	25,585.68	70.1%
07051801 54305 RES TEXTBOOKS	521	0	521	176.38	252.00	92.62	82.2%
07051801 54334 EDUC NEEDS TEXTS	330	0	330	.00	329.89	.11	100.0%
07051802 54330 RESOURCE SUPPLIES	0	0	0	112.20	.00	-112.20	100.0%*
07051802 54332 EDUC NEEDS SUPPLIES	575	0	575	287.99	625.00	-337.99	158.8%*
07051802 54333 SPEECH SUPPLIES	423	0	423	312.88	35.00	75.12	82.2%
08041801 51408 SPED TEACHER	233,740	-22,733	211,007	46,645.62	163,259.65	1,101.73	99.5%
08041802 51418 SPEECH TEACHER	87,246	0	87,246	20,491.14	71,719.05	-4,964.19	105.7%*
08041803 51624 SPED EDUCATION ASST	187,102	0	187,102	27,951.06	88,646.65	70,504.29	62.3%
08051801 54305 RES TEXTBOOKS	521	0	521	1,017.70	.00	-496.70	195.3%*
08051802 54332 EDUC NEEDS SUPPLIES	479	0	479	.00	625.00	-146.00	130.5%*
08051802 54333 SPEECH SUPPLIES	429	0	429	305.35	.00	123.65	71.2%
09041801 51408 SPED TEACHER	260,502	0	260,502	60,351.06	211,228.45	-11,077.51	104.3%*
09041802 51418 SPEECH TEACHER	87,634	0	87,634	12,477.54	44,476.23	30,680.23	65.0%
09041803 51624 SPED EDUCATION ASST	87,351	0	87,351	14,206.50	42,955.95	30,188.55	65.4%
09051801 54334 EDUC NEEDS TEXTS	622	0	622	627.33	.00	-5.33	100.9%*
09051802 54330 RESOURCE SUPPLIES	479	0	479	477.43	.00	1.57	99.7%
09051802 54333 SPEECH SUPPLIES	429	0	429	271.60	625.00	-467.60	209.0%*
10041801 51408 SPED TEACHER	291,873	0	291,873	68,262.24	238,917.80	-15,307.04	105.2%*
10041802 51418 SPEECH TEACHER	76,289	0	76,289	17,605.14	61,618.05	-2,934.19	103.8%*
10041803 51624 SPED EDUCATION ASST	187,385	0	187,385	39,448.69	119,958.49	27,977.82	85.1%
10051801 54334 EDUC NEEDS TEXTS	622	0	622	.00	.00	622.00	.0%
10051802 54332 EDUC NEEDS SUPPLIES	571	0	571	.00	625.00	-54.00	109.5%*
10051802 54333 SPEECH SUPPLIES	429	0	429	.00	.00	429.00	.0%
14041801 51416 SPED OCCUP THERAPIST	210,901	0	210,901	49,889.24	168,506.18	-7,494.42	103.6%*
14041801 51417 PHYSICAL THERAPIST	75,372	0	75,372	17,393.52	60,877.40	-2,898.92	103.8%*
14051801 51407 HOME INSTRUCT TEACHE	1,019	0	1,019	.00	.00	1,019.00	.0%
14051803 54338 SPED EDUC SUPPLIES	3,104	0	3,104	2,887.50	53.80	162.70	94.8%
TOTAL SPECIAL EDUCATION	4,516,398	-22,733	4,493,665	1,173,594.77	3,411,428.52	-91,358.29	102.0%

51 AUTISTIC SERVICES

14045101 51436 AUTISTIC COORDINATOR	35,000	0	35,000	13,410.00	22,931.00	-1,341.00	103.8%*
14045102 51616 TRAINER	658,220	0	658,220	142,336.70	513,331.75	2,551.55	99.6%

NOVEMBER 16, 2010

FOR 2011 13

	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENC/REQ	AVAILABLE BUDGET	PCT USED
14055103 52463 AUTISTIC CONTRACT SE	1,106	0	1,106	.00	.00	1,106.00	.0%
TOTAL AUTISTIC SERVICES	694,326	0	694,326	155,746.70	536,262.75	2,316.55	99.7%
TOTAL GENERAL FUND SCHOOL	5,663,025	-22,733	5,640,292	1,548,748.34	4,159,709.40	-68,165.74	101.2%
TOTAL EXPENSES	5,663,025	-22,733	5,640,292	1,548,748.34	4,159,709.40	-68,165.74	
GRAND TOTAL	5,663,025	-22,733	5,640,292	1,548,748.34	4,159,709.40	-68,165.74	101.2%

** END OF REPORT - Generated by Denise Kelly **

Note: The following will be reclassified from Appropriated once monies are received and processed:
Circuit Breaker Reimbursement \$342,815
ARRA IDEA \$142,270

Office of the Superintendent
Acton Public Schools
Acton-Boxborough Regional School District
(978) 264-4700 x 3211
<http://ab.mec.edu>

TO: Acton Public School Committee Members
FROM: Stephen Mills
ON: November 18, 2010
RE: **ADDENDUM**

3.0 APPROVAL OF MINUTES

- a. October 21, 2010 (revised from first addendum draft)
- b. November 4, 2010 (revised from packet draft)

6.0. UNFINISHED BUSINESS

- 6.1 ALG Report – *Xuan Kong*
 - c. Draft Budget Planning Calendars, 11/18/10
 - d. Draft Spreadsheet, 11/18/10
- 6.2 Acton Finance Committee Report – *Xuan Kong*
Draft FinCom Point of View for FY'12
- 6.6 Policy Revisions
 - c. Recommendation to Approve Revised School Committee Policy on the Kindergarten and First Grade Entrance (File: JEB) – **FIRST READING** – *Marie Altieri*
- 6.7 Class Size Subcommittee Update - *Terry Lindgren*

7.0. NEW BUSINESS

- 7.1 2011-2012 School Calendar Process Update – *Steve Mills*
 - c. Parent/Staff Surveys

8.0 FOR YOUR INFORMATION

- 8.2 FY '11 Monthly APS Financial Reports
 - a. Budget Status Summary
 - b. Budget Status Summary – Merriam
 - c. Budget Status Summary – Special Education

Class Size - Solution Analysis

- Basic Assumptions
 - Based on the literature, the optimal class size is 15 students per teacher
 - Given current economic conditions, there is neither the will nor the funds to hire and sustain sufficient staff to achieve the above goal
 - Space limitations create certain barriers to significantly reducing class size

Class Size – Solution Analysis

- Reducing class size will require “out-of-the-box” thinking
- It is important to get input from as many stakeholders as possible:
 - Teachers
 - Administrators
 - Staff
 - Students
 - Parents
 - Other school districts

Class Size – Solution Analysis

- Preliminary Plan of Action
 - Meet with principals of seven schools (two already completed)
 - Meet with teachers
 - Teacher forum? Suggestion box?
 - Parent forums
 - Student forums
 - PTSO's
- Prepare preliminary compilation of suggestions

Town of Acton Revenues		FY10	FY11	FY12	FY13
		Town Meeting	Town Meeting		
A. Revenues (GROSS)					
Tax Levy (excluding debt exclusion)		\$60,193	\$62,182	\$64,546	\$66,675
State Aid		\$12,458	\$12,092	\$10,479	\$10,479
Local Receipts		\$4,210	\$3,835	\$3,825	\$3,825
Debt Exclusion		\$3,036	\$3,098	\$3,071	\$3,020
SBAB Reimbursement		\$1,009	\$1,009	\$1,009	\$1,009
Total Revenues (including debt)		\$80,906	\$82,216	\$82,931	\$85,008
B. Use of Reserves (TOTAL)					
		\$1,952	\$2,219	\$0	\$0
C. Debt Exclusion Debt Service					
APS School Debt Exclusion				\$611	\$615
Public Safety Facility Debt Exclusion				\$483	\$473
Municipal Debt Exclusion				\$384	\$339
JHS/SHS Debt Exclusion				\$1,593	\$1,593
SBAB Reimbursement-Parker/Damon				\$1,009	\$1,009
Total Debt Exclusion/SBAB				\$4,080	\$4,029
D. Available Town Revenues (NET) (A + B - C)					
		\$78,813	\$80,328	\$78,851	\$80,979
Town of Acton Expenditures					
Town of Acton Municipal Allocation		\$24,276	\$24,545	\$25,689	\$26,867
+ Transfer to Muni for APS Debt			\$309	\$309	\$309
+ Transfer to Muni for COPS			\$70	\$70	\$70
Total Municipal Allocation		\$24,276	\$24,924	\$26,068	\$27,246
Acton Public Schools Allocation		\$25,754	\$26,289	\$26,712	\$27,726
- Transfer to Muni for APS Debt			(\$309)	(\$309)	(\$309)
- Transfer to Muni for COPS			(\$70)	(\$70)	(\$70)
Total APS Allocation		\$25,754	\$25,910	\$26,333	\$27,347
Town of Acton Portion of ABRSD Allocation		\$28,073	\$28,849	\$29,039	\$30,245
Total Minuteman Allocation		\$711	\$646	\$934	\$957
E. Town of Acton Expenditures (NET)					
		\$78,814	\$80,329	\$82,374	\$85,795
F. Total Town of Acton Projected Balance					
		(\$1)	(\$1)	(\$3,524)	(\$4,816)

Revenues**Tax Levy**

	FY10	FY11	FY12	FY13
	Town Meeting	Town Meeting		
Base	\$ 58,969	\$ 61,043	\$ 62,782	\$ 65,146
FY11 Unused Levy Capacity			\$ 287	
2 1/2%	\$ 1,474	\$ 1,239	\$ 1,577	\$ 1,629
New Growth	\$ 600	\$ 500	\$ 500	\$ 500
Overlay	\$ (850)	\$ (600)	\$ (600)	\$ (600)
Total Tax Levy (excluding debt exclusion)	\$ 60,193	\$ 62,182	\$ 64,546	\$ 66,675
Debt Exclusion	\$ 3,036	\$ 3,098	\$ 3,071	\$ 3,020
Total Tax Levy (including debt exclusion)	\$ 63,229	\$ 65,280	\$ 67,617	\$ 69,695

Revenues

State Aid

	FY10	FY11	FY12	FY13
Town Meeting		Town Meeting		
Cherry Sheet	\$ 6,641	\$ 6,320	\$ 5,142	\$ 5,142
Regional Revenue (Acton Share)	\$ 5,817	\$ 5,772	\$ 5,337	\$ 5,337
Total State Aid	\$ 12,458	\$ 12,092	\$ 10,479	\$ 10,479

	FY09 Cherry Sheet	FY10 Cherry Sheet	FY11 Cherry Sheet	FY12 Cherry Sheet - EST	
Acton					
Chapter 70	\$5,228,141	\$5,123,578	\$5,160,527	\$4,286,186	
SFSF Stimulus	\$0	\$357,131			
Subtotal Ed Aid	\$5,228,141	\$5,480,709	\$5,160,527	\$4,286,186	
Charter Tuition Reimbursements	\$11,331	\$5,967	\$3,880	\$3,104	Assumes 20% decrease from final FY11 Cherry Sheet
School Lunch	\$12,013	\$12,013	\$9,996	\$7,997	Assumes 20% decrease from final FY11 Cherry Sheet
Lottery, Beano & Charity Games	\$1,484,039	\$0	\$0	\$0	Assumes 20% decrease from final FY11 Cherry Sheet
General Fund Supplemental to Hold Harmless Lottery	\$227,222	\$0	\$0	\$0	Assumes 20% decrease from final FY11 Cherry Sheet
Additional Assistance	\$29,696	\$0	\$0	\$0	Assumes 20% decrease from final FY11 Cherry Sheet
Unrestricted General Government Aid	\$0	\$1,232,453	\$1,183,155	\$946,524	Assumes 20% decrease from final FY11 Cherry Sheet
Police Career Incentive	\$118,000	\$18,748	\$9,245	\$7,396	Assumes 20% decrease from final FY11 Cherry Sheet
Veterans Benefits	\$8,288	\$20,782	\$35,498	\$28,398	Assumes 20% decrease from final FY11 Cherry Sheet
Exemptions: Vets, Blind, Surviving Spouses & Elderly	\$38,932	\$37,687	\$38,099	\$30,479	Assumes 20% decrease from final FY11 Cherry Sheet
State Owned Land	\$62,997	\$56,752	\$51,904	\$41,523	Assumes 20% decrease from final FY11 Cherry Sheet
Public Libraries	\$33,363	\$25,937	\$25,729	\$20,583	Assumes 20% decrease from final FY11 Cherry Sheet
Subtotal-Other	\$2,025,879	\$1,410,339	\$1,357,506	\$1,086,005	
Mosquito Control Projects	(\$52,897)	(\$53,264)	(\$52,842)	(\$54,956)	Assumes 4% increase from final FY11 Cherry Sheet
Air Pollution Districts	(\$6,571)	(\$6,601)	(\$6,749)	(\$7,019)	Assumes 4% increase from final FY11 Cherry Sheet
Metropolitan Area Planning Council	(\$6,034)	(\$6,159)	(\$6,270)	(\$6,521)	Assumes 4% increase from final FY11 Cherry Sheet
R/W Non-Renewal Surcharge	(\$8,820)	(\$9,740)	(\$8,860)	(\$9,214)	Assumes 4% increase from final FY11 Cherry Sheet
MBTA	(\$107,610)	(\$108,703)	(\$107,508)	(\$111,808)	Assumes 4% increase from final FY11 Cherry Sheet
Regional Transit	(\$22,908)	(\$23,481)	(\$24,068)	(\$25,031)	Assumes 4% increase from final FY11 Cherry Sheet
Special Education	\$0	(\$1,056)	\$0	\$0	Assumes 4% increase from final FY11 Cherry Sheet
School Choice Sending Tuition	(\$15,000)	(\$7,650)	(\$15,000)	(\$15,600)	Assumes 4% increase from final FY11 Cherry Sheet
Subtotal-Less Assessments	(\$219,840)	(\$225,654)	(\$221,297)	(\$230,149)	
Net Cherry Sheet-Town of Acton	\$7,034,180	\$6,665,394	\$6,296,736	\$5,142,042	
Acton-Boxborough					
Chapter 70	\$5,413,736	\$5,305,461	\$5,476,216	\$4,941,371	
Regional School Transportation	\$622,353	\$488,864	\$480,849	\$432,764	Assumes FY12 foundation budget with 1.85% inflation factor, then 10% decrease
Charter Tuition Reimbursements	\$113,901	\$63,297	\$87,707	\$87,707	Assumes 10% decrease
Charter School Sending Tuition	(\$328,937)	(\$281,507)	(\$309,151)	(\$309,151)	
School Lunch	(\$13,419)	(\$14,645)	(\$12,909)	(\$12,909)	
School Choice Receiving Tuition	\$280,550	\$272,692	\$198,860	\$198,860	
Special Education	(\$12,163)	(\$129)			
School Choice Sending Tuition	(\$18,774)	(\$15,405)	(\$1,225)	(\$1,225)	
Net Cherry Sheet-Acton Portion of Acton/Boxborough	\$6,057,246	\$5,818,628	\$5,920,349	\$5,337,419	

Assumes FY12 foundation budget with 1.85% inflation factor, then 10% decrease

Assumes 20% decrease from final FY11 Cherry Sheet
Assumes 20% decrease from final FY11 Cherry Sheet
Assumes 20% decrease from final FY11 Cherry Sheet
Assumes 20% decrease from final FY11 Cherry Sheet
Assumes 20% decrease from final FY11 Cherry Sheet
Assumes 20% decrease from final FY11 Cherry Sheet
Assumes 20% decrease from final FY11 Cherry Sheet
Assumes 20% decrease from final FY11 Cherry Sheet
Assumes 20% decrease from final FY11 Cherry Sheet
Assumes 20% decrease from final FY11 Cherry Sheet
Assumes 20% decrease from final FY11 Cherry Sheet

Assumes 4% increase from final FY11 Cherry Sheet
Assumes 4% increase from final FY11 Cherry Sheet
Assumes 4% increase from final FY11 Cherry Sheet
Assumes 4% increase from final FY11 Cherry Sheet
Assumes 4% increase from final FY11 Cherry Sheet
Assumes 4% increase from final FY11 Cherry Sheet
Assumes 4% increase from final FY11 Cherry Sheet
Assumes 4% increase from final FY11 Cherry Sheet

Assumes FY12 foundation budget with 1.85% inflation factor, then 10% decrease
Assumes 10% decrease

Acton Portion
79%
81%
79%
79%
84%
79%
79%

Revenues**Local Receipts**

Excise Taxes
Fees
Investment Income
Total Local Receipts

	FY10	FY11	FY12	FY13
	Town Meeting	Town Meeting		
Excise Taxes	\$ 2,730	\$ 2,595	\$ 2,595	\$ 2,595
Fees	\$ 1,080	\$ 940	\$ 1,087	\$ 1,087
Investment Income	\$ 400	\$ 300	\$ 143	\$ 143
Total Local Receipts	\$ 4,210	\$ 3,835	\$ 3,825	\$ 3,825

	FY08 Recap	FY09 Recap	FY10 Budget	FY11 Budget	FY12 Budget
Motor Vehicle Excise	\$2,690,300	\$2,865,000	\$2,595,200	\$2,595,200	\$2,595,200
Fees	\$1,004,000	\$1,171,500	\$1,086,273	\$1,086,273	\$1,087,273
Investment Income	\$723,700	\$360,750	\$142,658	\$142,658	\$142,658
Miscellaneous Recurring	\$0	\$0	\$0	\$0	\$0
Local Receipts-TOTAL	\$4,418,000	\$4,397,250	\$3,824,131	\$3,824,131	\$3,825,131

Debt Exclusion & SBAB Income

	FY10	FY11	FY12	FY13
	Town Meeting	Town Meeting		
Debt on APS	\$607	\$619	\$611	\$615
Debt on JHS/SHS	\$1,516	\$1,593	\$1,593	\$1,593
Municipal Debt Incurred	\$412	\$394	\$384	\$339
Debt on PSF	\$501	\$492	\$483	\$473
Total Debt Exclusions	\$3,036	\$3,098	\$3,071	\$3,020
SBAB Reimbursement - Parker Damon	\$1,009	\$1,009	\$1,009	\$1,009
Total Debt Exclusions + SBAB Reimb	\$4,045	\$4,107	\$4,080	\$4,029

Reserves**Net Position**

	FY10	FY11	FY12	FY13
	Town Meeting	Town Meeting		
Free Cash	\$ 2,334	\$ 3,466	\$ 3,716	\$ 3,966
NESWC	\$ 4,469	\$ 3,661	\$ 3,661	\$ 3,661
Regional E&D - Acton Share	\$ 1,183	\$ 1,256	\$ 1,406	\$ 1,556
Total Reserve Position	\$ 7,986	\$ 8,383	\$ 8,783	\$ 9,183

Reserves**Use of Reserves**

	FY10	FY11	FY12	FY13
	Town Meeting	Town Meeting		
Free Cash	\$1,142	\$856		
NESWC	\$455	\$808		
Regional E&D - Acton Share	\$355	\$555		
Total Use of Reserves	\$1,952	\$2,219	\$0	\$0

Reserves**Assumption of Replenishment**

	FY10	FY11	FY12	FY13
	Town Meeting	Town Meeting		
Free Cash	\$250	\$250	\$250	\$250
Unused Warrant Articles, Land Titles		\$1,738		
NESWC	\$455	\$0	\$0	\$0
Regional E&D - Acton Share	\$150	\$150	\$150	\$150
One-time change in Transportation		\$478		
Total Use of Reserves	\$855	\$2,616	\$400	\$400

Class Size - Solution Analysis

- Basic Assumptions
 - Based on the literature, the optimal class size is 15 students per teacher
 - Given current economic conditions, there is neither the will nor the funds to hire and sustain sufficient staff to achieve the above goal
 - Space limitations create certain barriers to significantly reducing class size

Class Size – Solution Analysis

- Reducing class size will require “out-of-the-box” thinking
- It is important to get input from as many stakeholders as possible:
 - Teachers
 - Administrators
 - Staff
 - Students
 - Parents
 - Other school districts

Class Size – Solution Analysis

- Preliminary Plan of Action
 - Meet with principals of seven schools (two already completed)
 - Meet with teachers
 - Teacher forum? Suggestion box?
 - Parent forums
 - Student forums
 - PTSO's
- Prepare preliminary compilation of suggestions

Town of Acton Revenues		FY10	FY11	FY12	FY13
		Town Meeting	Town Meeting		
A. Revenues (GROSS)					
	Tax Levy (excluding debt exclusion)	\$60,193	\$62,182	\$64,546	\$66,675
	State Aid	\$12,458	\$12,092	\$10,479	\$10,479
	Local Receipts	\$4,210	\$3,835	\$3,825	\$3,825
	Debt Exclusion	\$3,036	\$3,098	\$3,071	\$3,020
	SBAB Reimbursement	\$1,009	\$1,009	\$1,009	\$1,009
	Total Revenues (including debt)	\$80,906	\$82,216	\$82,931	\$85,008
B. Use of Reserves (TOTAL)					
		\$1,952	\$2,219	\$0	\$0
C. Debt Exclusion Debt Service					
	APS School Debt Exclusion			\$611	\$615
	Public Safety Facility Debt Exclusion			\$483	\$473
	Municipal Debt Exclusion			\$384	\$339
	JHS/SHS Debt Exclusion			\$1,593	\$1,593
	SBAB Reimbursement-Parker/Damon			\$1,009	\$1,009
	Total Debt Exclusion/SBAB			\$4,080	\$4,029
D. Available Town Revenues (NET) (A + B - C)					
		\$78,813	\$80,328	\$78,851	\$80,979
Town of Acton Expenditures					
	Town of Acton Municipal Allocation	\$24,276	\$24,545	\$25,689	\$26,867
	+ Transfer to Muni for APS Debt		\$309	\$309	\$309
	+ Transfer to Muni for COPS		\$70	\$70	\$70
	Total Municipal Allocation	\$24,276	\$24,924	\$26,068	\$27,246
	Acton Public Schools Allocation	\$25,754	\$26,289	\$26,712	\$27,726
	- Transfer to Muni for APS Debt		(\$309)	(\$309)	(\$309)
	- Transfer to Muni for COPS		(\$70)	(\$70)	(\$70)
	Total APS Allocation	\$25,754	\$25,910	\$26,333	\$27,347
	Town of Acton Portion of ABRSD Allocation	\$28,073	\$28,849	\$29,039	\$30,245
	Total Minuteman Allocation	\$711	\$646	\$934	\$957
E. Town of Acton Expenditures (NET)					
		\$78,814	\$80,329	\$82,374	\$85,795
F. Total Town of Acton Projected Balance					
		(\$1)	(\$1)	(\$3,524)	(\$4,816)

Revenues**Tax Levy**

	FY10	FY11	FY12	FY13
	Town Meeting	Town Meeting		
Base	\$ 58,969	\$ 61,043	\$ 62,782	\$ 65,146
FY11 Unused Levy Capacity			\$ 287	
2 1/2%	\$ 1,474	\$ 1,239	\$ 1,577	\$ 1,629
New Growth	\$ 600	\$ 500	\$ 500	\$ 500
Overlay	\$ (850)	\$ (600)	\$ (600)	\$ (600)
Total Tax Levy (excluding debt exclusion)	\$ 60,193	\$ 62,182	\$ 64,546	\$ 66,675
Debt Exclusion	\$ 3,036	\$ 3,098	\$ 3,071	\$ 3,020
Total Tax Levy (including debt exclusion)	\$ 63,229	\$ 65,280	\$ 67,617	\$ 69,695

Revenues

State Aid

	FY10	FY11	FY12	FY13
Town Meeting		Town Meeting		
Cherry Sheet	\$ 6,641	\$ 6,320	\$ 5,142	\$ 5,142
Regional Revenue (Acton Share)	\$ 5,817	\$ 5,772	\$ 5,337	\$ 5,337
Total State Aid	\$ 12,458	\$ 12,092	\$ 10,479	\$ 10,479

	FY09 Cherry Sheet	FY10 Cherry Sheet	FY11 Cherry Sheet	FY12 Cherry Sheet - EST	
Acton					
Chapter 70	\$5,228,141	\$5,123,578	\$5,160,527	\$4,286,186	
SFSF Stimulus	\$0	\$357,131			
Subtotal Ed Aid	\$5,228,141	\$5,480,709	\$5,160,527	\$4,286,186	
Charter Tuition Reimbursements	\$11,331	\$5,967	\$3,880	\$3,104	Assumes 20% decrease from final FY11 Cherry Sheet
School Lunch	\$12,013	\$12,013	\$9,996	\$7,997	Assumes 20% decrease from final FY11 Cherry Sheet
Lottery, Beano & Charity Games	\$1,484,039	\$0	\$0	\$0	Assumes 20% decrease from final FY11 Cherry Sheet
General Fund Supplemental to Hold Harmless Lottery	\$227,222	\$0	\$0	\$0	Assumes 20% decrease from final FY11 Cherry Sheet
Additional Assistance	\$29,696	\$0	\$0	\$0	Assumes 20% decrease from final FY11 Cherry Sheet
Unrestricted General Government Aid	\$0	\$1,232,453	\$1,183,155	\$946,524	Assumes 20% decrease from final FY11 Cherry Sheet
Police Career Incentive	\$118,000	\$18,748	\$9,245	\$7,396	Assumes 20% decrease from final FY11 Cherry Sheet
Veterans Benefits	\$8,288	\$20,782	\$35,498	\$28,398	Assumes 20% decrease from final FY11 Cherry Sheet
Exemptions: Vets, Blind, Surviving Spouses & Elderly	\$38,932	\$37,687	\$38,099	\$30,479	Assumes 20% decrease from final FY11 Cherry Sheet
State Owned Land	\$62,997	\$56,752	\$51,904	\$41,523	Assumes 20% decrease from final FY11 Cherry Sheet
Public Libraries	\$33,363	\$25,937	\$25,729	\$20,583	Assumes 20% decrease from final FY11 Cherry Sheet
Subtotal-Other	\$2,025,879	\$1,410,339	\$1,357,506	\$1,086,005	
Mosquito Control Projects	(\$52,897)	(\$53,264)	(\$52,842)	(\$54,956)	Assumes 4% increase from final FY11 Cherry Sheet
Air Pollution Districts	(\$6,571)	(\$6,601)	(\$6,749)	(\$7,019)	Assumes 4% increase from final FY11 Cherry Sheet
Metropolitan Area Planning Council	(\$6,034)	(\$6,159)	(\$6,270)	(\$6,521)	Assumes 4% increase from final FY11 Cherry Sheet
R/W Non-Renewal Surcharge	(\$8,820)	(\$9,740)	(\$8,860)	(\$9,214)	Assumes 4% increase from final FY11 Cherry Sheet
MBTA	(\$107,610)	(\$108,703)	(\$107,508)	(\$111,808)	Assumes 4% increase from final FY11 Cherry Sheet
Regional Transit	(\$22,908)	(\$23,481)	(\$24,068)	(\$25,031)	Assumes 4% increase from final FY11 Cherry Sheet
Special Education	\$0	(\$1,056)	\$0	\$0	Assumes 4% increase from final FY11 Cherry Sheet
School Choice Sending Tuition	(\$15,000)	(\$7,650)	(\$15,000)	(\$15,600)	Assumes 4% increase from final FY11 Cherry Sheet
Subtotal-Less Assessments	(\$219,840)	(\$225,654)	(\$221,297)	(\$230,149)	
Net Cherry Sheet-Town of Acton	\$1,034,180	\$6,665,394	\$6,296,736	\$5,142,042	
Acton-Boxborough					
Chapter 70	\$5,413,736	\$5,305,461	\$5,476,216	\$4,941,371	
Regional School Transportation	\$622,353	\$488,864	\$480,849	\$432,764	Assumes FY12 foundation budget with 1.85% inflation factor, then 10% decrease
Charter Tuition Reimbursements	\$113,901	\$63,297	\$87,707	\$87,707	Assumes 10% decrease
Charter School Sending Tuition	(\$328,937)	(\$281,507)	(\$309,151)	(\$309,151)	
School Lunch	(\$13,419)	(\$14,645)	(\$12,909)	(\$12,909)	
School Choice Receiving Tuition	\$280,550	\$272,692	\$198,860	\$198,860	
Special Education	(\$12,163)	(\$129)			
School Choice Sending Tuition	(\$18,774)	(\$15,405)	(\$1,225)	(\$1,225)	
Net Cherry Sheet-Acton Portion of Acton/Boxborough	\$6,057,246	\$5,818,628	\$5,920,349	\$5,337,419	

Assumes FY12 foundation budget with 1.85% inflation factor, then 10% decrease

Assumes 20% decrease from final FY11 Cherry Sheet
Assumes 20% decrease from final FY11 Cherry Sheet
Assumes 20% decrease from final FY11 Cherry Sheet
Assumes 20% decrease from final FY11 Cherry Sheet
Assumes 20% decrease from final FY11 Cherry Sheet
Assumes 20% decrease from final FY11 Cherry Sheet
Assumes 20% decrease from final FY11 Cherry Sheet
Assumes 20% decrease from final FY11 Cherry Sheet
Assumes 20% decrease from final FY11 Cherry Sheet
Assumes 20% decrease from final FY11 Cherry Sheet
Assumes 20% decrease from final FY11 Cherry Sheet

Assumes 4% increase from final FY11 Cherry Sheet
Assumes 4% increase from final FY11 Cherry Sheet
Assumes 4% increase from final FY11 Cherry Sheet
Assumes 4% increase from final FY11 Cherry Sheet
Assumes 4% increase from final FY11 Cherry Sheet
Assumes 4% increase from final FY11 Cherry Sheet
Assumes 4% increase from final FY11 Cherry Sheet
Assumes 4% increase from final FY11 Cherry Sheet

Acton
Portion
79%
81%
79%
79%
84%
79%
79%

Revenues**Local Receipts**

Excise Taxes
 Fees
 Investment Income
 Total Local Receipts

	FY10	FY11	FY12	FY13
	Town Meeting	Town Meeting		
Excise Taxes	\$ 2,730	\$ 2,595	\$ 2,595	\$ 2,595
Fees	\$ 1,080	\$ 940	\$ 1,087	\$ 1,087
Investment Income	\$ 400	\$ 300	\$ 143	\$ 143
Total Local Receipts	\$ 4,210	\$ 3,835	\$ 3,825	\$ 3,825

	FY08 Recap	FY09 Recap	FY10 Budget	FY11 Budget	FY12 Budget
Motor Vehicle Excise	\$2,690,300	\$2,865,000	\$2,595,200	\$2,595,200	\$2,595,200
Fees	\$1,004,000	\$1,171,500	\$1,086,273	\$1,086,273	\$1,087,273
Investment Income	\$723,700	\$360,750	\$142,658	\$142,658	\$142,658
Miscellaneous Recurring	\$0	\$0	\$0	\$0	\$0
Local Receipts-TOTAL	\$4,418,000	\$4,397,250	\$3,824,131	\$3,824,131	\$3,825,131

Debt Exclusion & SBAB Income

	FY10	FY11	FY12	FY13
	Town Meeting	Town Meeting		
Debt on APS	\$607	\$619	\$611	\$615
Debt on JHS/SHS	\$1,516	\$1,593	\$1,593	\$1,593
Municipal Debt Incurred	\$412	\$394	\$384	\$339
Debt on PSF	\$501	\$492	\$483	\$473
Total Debt Exclusions	\$3,036	\$3,098	\$3,071	\$3,020
SBAB Reimbursement - Parker Damon	\$1,009	\$1,009	\$1,009	\$1,009
Total Debt Exclusions + SBAB Reimb	\$4,045	\$4,107	\$4,080	\$4,029

Reserves**Net Position**

	FY10	FY11	FY12	FY13
	Town Meeting	Town Meeting		
Free Cash	\$ 2,334	\$ 3,466	\$ 3,716	\$ 3,966
NESWC	\$ 4,469	\$ 3,661	\$ 3,661	\$ 3,661
Regional E&D - Acton Share	\$ 1,183	\$ 1,256	\$ 1,406	\$ 1,556
Total Reserve Position	\$ 7,986	\$ 8,383	\$ 8,783	\$ 9,183

Reserves**Use of Reserves**

	FY10	FY11	FY12	FY13
	Town Meeting	Town Meeting		
Free Cash	\$1,142	\$856		
NESWC	\$455	\$808		
Regional E&D - Acton Share	\$355	\$555		
Total Use of Reserves	\$1,952	\$2,219	\$0	\$0

Reserves**Assumption of Replenishment**

	FY10	FY11	FY12	FY13
	Town Meeting	Town Meeting		
Free Cash	\$250	\$250	\$250	\$250
Unused Warrant Articles, Land Titles		\$1,738		
NESWC	\$455	\$0	\$0	\$0
Regional E&D - Acton Share	\$150	\$150	\$150	\$150
One-time change in Transportation		\$478		
Total Use of Reserves	\$855	\$2,616	\$400	\$400

Suggested Calendar for Budget Planning for FY11 - DRAFT						
Issue	ALG Discussion	ALG Preliminary Consensus	Back to Boards	Final ALG Consensus	Confirmation by Boards	
Revenue projections	10/21/2009	10/21/2009	BOS - 11/2, 11/16; Fincom - 10/26, 2/10; SC - 11/5	11/18/2009	After 11/18/2009	
Override? No Override?	10/21/2009	10/21/2009	BOS - 11/2, 11/16; Fincom - 10/26, 2/10; SC - 11/5	11/18/2009	After 11/18/2009	
Split allocation - school debt and police	10/21/2009		BOS - 11/2, 11/16; Fincom - 10/26, 2/10; SC - 11/5			
Minuteman Capital funding source - year 1	11/18/2009	11/18/2009	BOS - 12/7; Fincom - 11/24, 12/8; SC - 11/19, 12/3	12/16/2009	After 12/16/2009	
Any further work on split allocation?	11/18/2009	11/18/2009	BOS - 12/7; Fincom - 11/24, 12/8; SC - 11/19, 12/3	12/16/2009	After 12/16/2009	
	12/16/2009		BOS - 12/21, 1/11; Fincom - 12/22, 1/12; SC - 12/17, 1/7			
	1/13/2009	1/13/2010	BOS - 1/25, 2/8; Fincom - 1/26, 2/9; SC - 1/21, 2/4	2/10/2010	After 2/10/2010	
Any further revision of revenues?	12/16/2009		BOS - 12/21, 1/11; Fincom - 12/22, 1/12; SC - 12/17, 1/7			
	1/13/2009	1/13/2010	BOS - 1/25, 2/8; Fincom - 1/26, 2/9; SC - 1/21, 2/4	2/10/2010	After 2/10/2010	
Assumptions for 3-year plan	11/18/2009	11/18/2009	BOS - 12/7; Fincom - 11/24, 12/8; SC - 11/19, 12/3			
	12/16/2009	12/16/2009	BOS - 12/21, 1/11; Fincom - 12/22, 1/12; SC - 12/17, 1/7	1/13/2010	After 1/13/2010	
Other Important Dates:						
Manager's Budget Due	12/27/2009		ALG Meeting Dates:			
Municipal Budget Saturday	1/9/2010		10/21/2009			
BOS Vote Budget	1/25/2010		11/18/2009			
BOS MUST Vote Budget for Fincom	2/4/2010		12/16/2009			
ABRSC Budget Hearing	2/4/2010		1/13/2010			
APS Budget Hearing	2/25/2010		2/10/2010			
Warrant to Printer This Week	3/1/2010		3/10/2010			
Post Warrant	3/16/2010					
Town Election	3/30/2010					
Town Meeting Begins	4/5/2010					

Revised ALG Calendar for Budget Planning for FY12 - Version #2									
Issue	ALG Discussion	ALG Preliminary Consensus	Back to Boards	Final ALG Consensus	Confirmation by Boards				
Revenue projections	10/28/2010	11/18/2010	BOS - 11/8, 11/22; Fincom - 11/9, 11/30; SC - 11/4, 11/18	12/2/2010	After 12/2/2010				
Override? No Override?	11/18/2010	11/18/2010	BOS - 11/22, 12/6; Fincom - 11/30, 12/14; SC - 12/2, 12/16	12/2/2010	After 12/2/2010				
Split allocation	11/18/2010	11/18/2010	BOS - 11/22, 12/6; Fincom - 11/30, 12/14; SC - 12/2, 12/16	12/2/2010	After 12/2/2010				
Turnbacks?	11/18/2010	11/18/2010	BOS - 11/22, 12/6; Fincom - 11/30, 12/14; SC - 12/2, 12/16	12/2/2010	After 12/2/2010				
Reserves use	11/18/2010	11/18/2010	BOS - 11/22, 12/6; Fincom - 11/30, 12/14; SC - 12/2, 12/16	12/2/2010	After 12/2/2010				
Minuteman Capital-funding source - year-1				12/16/2009	After 12/16/2009				
Any further work on split allocation?	12/16/2010	12/16/2010	BOS - 12/20, 1/10; Fincom - 12/14, 1/11; SC - 12/18, 1/6	1/13/2011	After 1/13/2011				
	1/13/2011	1/13/2011	BOS - 1/24, 2/14; Fincom - 1/25, 2/8; SC - 1/20, 2/3	2/10/2011	After 2/10/2011				
Any further revision of revenues?	12/16/2010	12/16/2010	BOS - 12/20, 1/10; Fincom - 12/14, 1/11; SC - 12/18, 1/6	1/13/2011	After 1/13/2011				
	1/13/2011	1/13/2011	BOS - 1/24, 2/14; Fincom - 1/25, 2/8; SC - 1/20, 2/3	2/10/2011	After 2/10/2011				
Assumptions for 3-year plan	1/13/2011	1/13/2011	BOS - 1/24, 2/14; Fincom - 1/25, 2/8; SC - 1/20, 2/3	2/10/2011	After 2/10/2011				
	2/10/2011	2/10/2011	BOS - 2/14, 2/28; Fincom - 2/22, 3/1; SC - 2/17, 3/3	3/24/2011	After 3/24/2011				
Other Important Dates:									
Fincom Draft POV	11/9/2010		ALG Meeting Dates:						
ABRSC Mtg - Superintendent Budget	12/2/2010		10/26/2010						
Manager's Budget Due	12/20/2010		11/18/2010						
Municipal Budget Saturday	1/8/2011	?	12/2/2010						
AB/APS Budget Workshop	2/5/2011	?	12/16/2010						
BOS Vote Budget	1/24/2011		1/13/2011						
BOS must Vote Budget for Fincom	2/1/2011		1/27/2011						
ABRSC Budget Hearing	2/3/2011		2/10/2011						
APS Budget Hearing	2/17/2011		2/17/2011						
Warrant to Printer This Week	3/1/2011	?							
Post Warrant	3/1/2011	?	3/24/2011						
Town Election	3/29/2011								
Town Meeting Begins	4/4/2011								

Fincom Discussion of Recommendations for Budget Planning for FY12

Issue	ALG Discussion	ALG Preliminary Consensus
Revenue projections	10/28/2010	11/18/2010
Chapter 70 - Reduce 10% from FY11 level		
Other local aid - Reduce 20% from FY11 level		
Local receipts - 0% change from FY10 level		
New growth ~ \$600K		
Override? No Override?	11/18/2010	11/18/2010
Split allocation	11/18/2010	11/18/2010
Turnbacks?	11/18/2010	11/18/2010
Reserves use	11/18/2010	11/18/2010

Waterfall Policy: Past, Present, Future

Xuan Kong

November 18, 2010

Purposes of This Presentation

- The Past
 - Why did we need a waterfall proposal?
 - How did the proposal become a policy?
 - What assumptions were made on funding sources for the waterfall policy?
- The Present
 - APS School Committee vote (11/04/2010)
 - Acton Finance Committee position (POV, 11/10/2010)
 - Consensus from ALG (11/18/2010)
 - Local revenue variance
- The Future
 - Tax rate setting for FY2011 (BOS, 12/06/2010)
 - Budget for FY2012 and beyond

Why We Needed a Proposal?

- December 2009 Budget Assumptions
 - 10% Chapter 70 reduction from previous year
 - Level budgets for all operating entities
- January 2010 Superintendent Presentation
 - Outlined very aggressive cost-saving initiatives (Level 1 to Level 4)
 - FY2011 budget still called for \$735K increase over FY2010 budget (and \$379K APS Debt/COPS not accounted for)
 - Level 5 personnel cut must be implemented in order to balance budget

ABRSD/APS Level 3 & 4 Reduced Budget (in thousands)

\$735K Short

	APS	AB	K-12
FY '10 Original	\$25,754	\$37,353	\$63,107
FY11 Budget with Levels 3 & 4 Cuts	\$25,844	\$37,998	\$63,842
% Change from FY '10 Orig	.35%	1.73%	1.16%

Slide 17 from School Committee Budget Presentation 01/07/2010 (Steve Mills)

How Did It Become Policy?

- 01/22/2010: Governor announced level-fund Chapter 70
 - This represented almost \$2.2M* increase from December 2009 budget assumption
- 02/06/2010: Waterfall proposal introduced during Saturday budget hearing
 - This proposal allowed APS/AB schools to avoid staff layoffs (level 5 cuts)
- 03/25/2010: Waterfall proposal approved at APS School Committee meeting

*Include Boxborough share for regional school district

ABRSD/APS Reduced Budgets (in thousands)

	APS	AB	Total
FY10 October 1 Cuts		\$494	\$494
FY11 Revised Levels 3 & 4	\$602	\$622	\$1,224
FY11 Level 5	\$249	\$791	\$1,040
	\$851	\$1,907	\$2,758

FY11

Old Chapter 70*
(In thousands)

AB	APS
\$6,044	\$4,611
Total: \$10,655	

*10% reduction from FY10

**Difference of
\$2.188M**

FY11

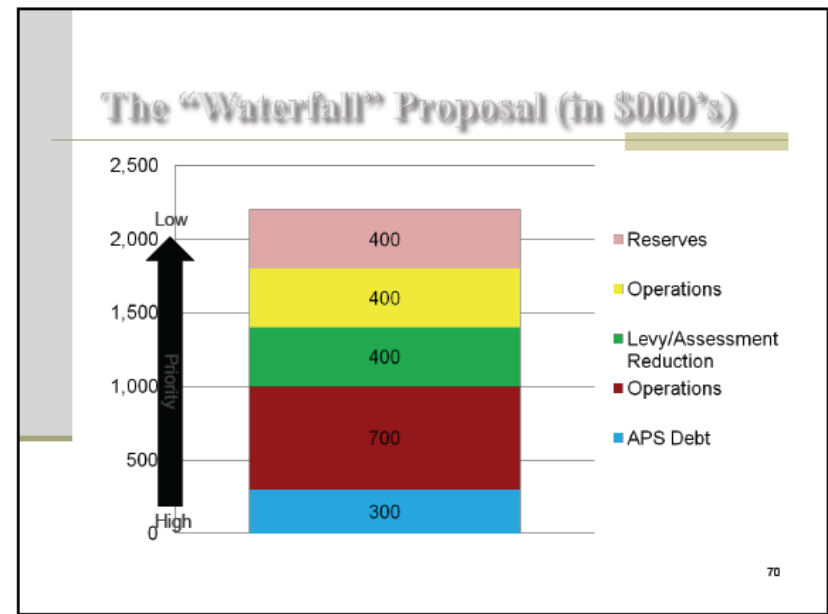
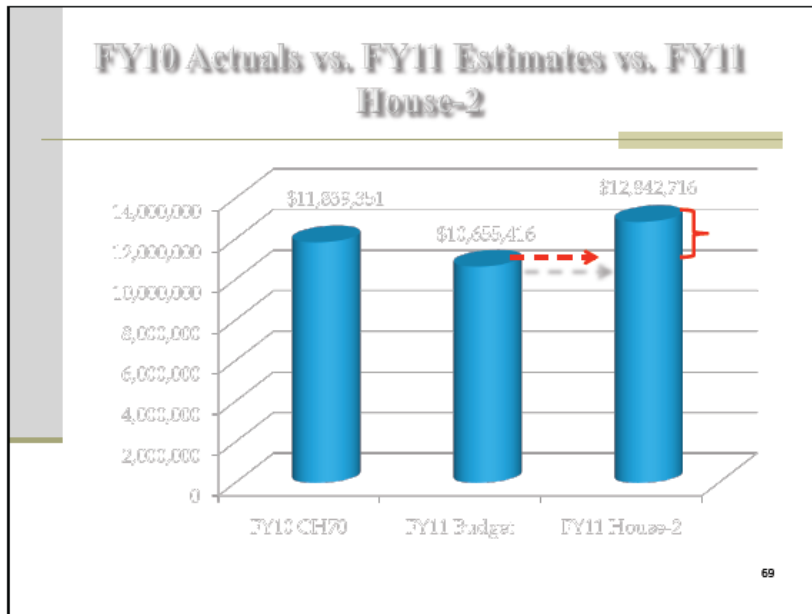
New Chapter 70**
(In thousands)

AB	APS
\$7,362	\$5,481
Total: \$12,843	

**House 1, Governor's Budget

Slide 9 from School Committee Budget Presentation 02/04/2010 (Steve Mills)

Waterfall Proposal



*Slides 69 and 70 as introduced by Jonathan Chinitz, Saturday Budget Hearing (02/06/2010)

APS SC Adopted Waterfall Proposal

Approved Meeting Minutes of March 4th, 2010

1. Acton Finance Committee Update (continued)

The Committee continued to discuss whether to commit to a version of the waterfall proposal or not. John Peteresen said that having just voted the two school budgets implies that the Committees want to fund them. He felt that this was a clear enough statement regarding what the budget numbers should be.

It was moved, seconded and

VOTED: To endorse the waterfall proposal as originally presented on February 6, 2010.

(Yes: Chinitz, Coppolino, Kong, Lindgren and McManus No: Petersen)

Positive Impact of Waterfall on Schools

- Covered the APS Debt Services and COPS program: \$379K
- Restored APS/AB Level 5 Cuts: \$965K
 - A small percentage of the cuts were restored via fee increases

What Assumptions Were Made?

- What were the “sources” of waterfall when we adopted the proposal?
 - Exclusively FY2011 Chapter 70 change?
 - \$1,216K (Acton Share)
 - All incremental revenue received in FY2011?
 - \$1,216K (Chapter 70)
 - \$491K (Transportation Catch Up)
 - \$541K (ARRA Federal Grant)
 - \$698K (EduJob Grant)

Waterfall Proposal Text

Any way, here is the Waterfall Proposal.

2/22/10

1. Our budget called for a 10% reduction (roughly \$1.2mm) in Ch 70 money.
2. The Governor's budget calls for holding education funding even, state wide. For us, this results in an increase of \$1mm or a \$2.2mm swing.
3. Whether or not the Governor's budget ends up being approved or changed and whether or not the Ch 70 money increases, the following "waterfall" will be the protocol for the allocation of those funds:

Where We Are Now?

- 11/04/2010: APS School Committee voted to re-affirm waterfall policy
- 11/10/2010: Acton Finance Committee position (Point of View)
- 11/18/2010: Consensus from ALG
- Local revenue variance

Waterfall With Chapter 70 Only

	Baseline Assumption	FY2011 Final Budget
Acton	\$5,643	\$6,297
AB (Acton)	\$5,160	\$5,723
Subtotal	\$10,803	\$12,020
Change from Baseline (Waterfall fund)		\$1,217
Steps 1-2 (APS Debt and Restore Cuts)		\$1,000
Step 3 (Property Tax Relief)		\$217

Extracted from Finance Committee Meeting Handout (September 28, 2010)

Local Revenue Variance

- Local revenue consists of
 - Property Tax
 - Excise Tax and Fees
 - Investment Income
- Department of Revenue rules cap certain revenue for FY2011 based on FY2010 actuals
 - We may have up to \$150K shortfall of local revenue (fees)

Question In Front of Boards

- Should expected property tax relief of \$217K + \$45K* (=\$262K)
 - Option 1: Be reduced by \$150K due to local revenue variance?
 - Option 2: Be maintained by adjusting E&D reserve use (lowered assessment)?

*lowered assessment from ABRSD due to transportation revenue catch up

What Are Next Steps?

- 12/06/2010: BOS will have FY2011 tax rate setting hearing
 - School committee decisions must be made prior to that in order to affect FY2011 tax rate
- Budget for FY2012 and beyond
 - We may face similar uncertainty in this and future years
 - How we handle the implementation of FY2011 Waterfall Policy would have lasting impact on our budget process

To Summarize

- Waterfall solution was proposed to address the uncertainty of CH70 state aid so we didn't have to implement staff layoff
- Waterfall policy was adopted by school committee and other town boards
- APS/AB are the primary beneficiaries of the policy
- Funding Waterfall to provide limited property tax relief is the right thing to do
- Funding Waterfall will NOT impact FY2011 services
- Funding Waterfall will have positive impact on our future budget process