

Acton Public, Acton-Boxborough Regional School Committees

November 1, 2012

**7:30 Joint School Committee Meeting
Followed by AB Regional School Committee Meeting
Followed by AB Regional Executive Session**

at the R.J. Grey Junior High Library

**ACTON PUBLIC AND ACTON-BOXBOROUGH REGIONAL SCHOOL COMMITTEE
MEETING**

**Library
R.J. Grey Junior High School**

**November 1, 2012
7:30 p.m. Joint School Committee
followed by AB Regional School Committee Meeting
followed by ABRSC Executive Session**

AGENDA

- 1.0 **CALL TO ORDER** (7:30)
- 2.0 **CHAIRMAN'S INTRODUCTION**
Presentation of Acton-Boxborough Student Activities Fund (ABSAF) donation – **VOTE** - *Steve Mills*
- 3.0 **APPROVAL of MINUTES and STATEMENT of WARRANT** (7:35)
 - 3.1 Minutes of 10/4/12 Joint/AB/APS School Committee meeting (*next meeting*)
 - 3.2 Minutes of 10/10/12 Joint AB/APS School Committee and Regional School District Study Committee meeting
 - 3.3 Minutes of 10/16/12 Joint Acton Boards meeting
- 4.0 **PUBLIC PARTICIPATION**
- 5.0 **JOINT SCHOOL COMMITTEE BUSINESS** (7:40)
 - 5.1 Student Enrollment Projections Report – *Mary Ann Buescher Ashton, Peter Ashton*
 - 5.1.1 Oct 1, 2012 APS/ABRSD Enrollment (*same as 10/18/12 APSC packet*)
 - 5.1.2 Ashton Projections Report
 - 5.2 Acton BOS Report - *Paul Murphy (oral)* (7:55)
 - 5.3 Acton FinCom Report - *Dennis Bruce* (8:00)
 - 5.3.1 FinCom Point of View (POV) (8:05)
 - 5.4 Health Insurance Trust (HIT) Report – *Kim McOsker (oral)* (8:10)
 - 5.5 Acton Leadership Group (ALG) Report – *Xuan Kong, Kim McOsker* (8:15)
 - 5.5.1 Input to ALG on Revenue Assumptions; Split Allocation; Override/No Override
 - 5.5.2 Draft Minutes of 10/17/12 ALG meeting
 - 5.6 Boxborough Leadership Forum (BLF) Report – *Maria Neyland (oral)* (8:20)
 - 5.7 OPEB Task Force Update – *Dennis Bruce (oral)* (8:25)
 - 5.8 Regional School District Study Committee (RSDSC) Update – *Mac Reid, P. Ashton* (8:30)
 - 5.8.1 Report on LWV Forum, 10/30/12, *Mac Reid, Peter Ashton*
 - 5.8.2 Draft Position Statement from APS/BPS/ABRSC Chairs - *Possible VOTE* – *Xuan Kong, Kim McOsker*
 - 5.8.3 Letters from SC Chairs to Elected Officials, 10/11/12
 - 5.8.4 Frequently Asked Questions from 10/30/12 Forum
 - 5.9 Preliminary 2013-2014 School Calendar – **FIRST READING** - *Steve Mills* (8:40)
 - 5.9.1 Proposed Calendar starting before Labor Day, with possible March Professional Development Day
 - 5.9.2 Proposed Calendar starting after Labor Day, with possible March Professional Development Day
 - 5.10 FY13 SMART Goals/School Improvement Plan – **VOTE** - *Steve Mills* (9:00)

APS SC is adjourned. ABRSC continues.

6.0 **ABRSC BUSINESS**

- 6.1 Quarter 1 ABRSD Financial Report – *Steve Mills, Don Aicardi (9:10)*
- 6.2 Long Range Financial Planning – *Steve Mills, Don Aicardi (9:15)*
- 6.3 Establishing OPEB Trust (Vote at 12/6/12 meeting) – *Don Aicardi (9:30)*
- 6.4 AB Debt Restructuring Letter – *Don Aicardi (9:35)*
- 6.5 Recommendation to Accept Gift to Student Activity ASHA* – **VOTE** – *Steve Mills(9:40)*

7.0 **FOR YOUR INFORMATION** (9:45)

- 7.1 AB Regional High School
 - 7.1.1 Discipline Report (*next meeting*)
 - 7.1.2 Gifts to ASHA and “Window Seat”
- 7.2 RJ Grey Junior High School
 - 7.2.1 Discipline Report (*next meeting*)
 - 7.2.2 FY13 Budget Additions Update and Impact
- 7.3 ABUW Community Forum: Chris Herren, former Celtics Basketball player, talks candidly about the substance abuse problems which derailed his professional career. Sober since 2008, Herren is an inspirational speaker, especially reaching out to teens. Wednesday 1/9/13, 7:00 pm, ABRHS

8.0 **NEXT MEETINGS**

- November 15, 7:00 pm, APSC Meeting at RJGJHS Library, Education Report: Lynne Newman, Principal of Gates School
- December 6, 7:30 pm, ABRSC Meeting at RJGJHS Library

9.0 **ABRSC EXECUTIVE SESSION** (9:50)

Strategy with respect to litigation

ADJOURN (9:55)

*ASHA for Education

Asha, which means “hope” in Hindi, is a High School student organization raising awareness about South Asian culture around A-B. The group’s activities include film screenings, fundraisers and an afternoon chai to connect with the South Asian community in the area and ultimately raise money to support education in India.

Acton Boxborough Student Activities Fund (ABSAF)

November 1, 2012

Acton Boxborough Regional School District
District Central Office
16 Charter Road
Acton, MA 01720

Attention: Dr. Stephen Mills
Superintendent of Schools

Re: ABSAF Donation to the Acton Boxborough Regional School District

Dear Dr. Mills,

It is with great pleasure that the Acton Boxborough Student Activities Fund (ABSAF) makes this donation in the amount of \$54,945 to the Acton Boxborough Regional School District to be used for student athletic and activity expenses for the 2012 – 2013 school year. This donation is made only through the generous support of our donors from the Acton and Boxborough communities who have supported and contributed to ABSAF from July 1, 2011 through November 15, 2011. ABSAF believes that extracurricular activities help to develop well-rounded students with healthy self-esteem.

We are hopeful that we can make an additional donation later this academic year. We are currently awaiting disposition of our pending non-profit status with the Internal Revenue Service. Ideally, we would like that status reinstated in advance our subsequent donation. We will keep you apprised through Marie Alteri, who serves as the administration's liaison on our board.

You should know that our 2012 fundraising drive which began in July 2012 is going well and we remain optimistic about future support of student activities in the regional schools.

Sincerely,



Justin Goodwin
President

**ACTON PUBLIC and ACTON-BOXBOROUGH REGIONAL
SCHOOL COMMITTEE MEETING Draft Minutes**

**Library
R.J. Grey Junior High School**

**October 4, 2012
7:30 p.m. Joint School Committee
followed by AB Regional School Committee Meeting
followed by ABRSC Executive Session**

<i>Members Present:</i>	Brigid Bieber, Mary Brolin, Dennis Bruce, Michael Coppolino, Xuan Kong, Paul Murphy, Kim McOsker, Maria Neyland, Deanne O'Sullivan
<i>Members Absent:</i>	None
<i>Others:</i>	Don Aicardi, Marie Altieri, Deborah Bookis, Liza Huber, Steve Mills, Beth Petr

The Acton-Boxborough Regional School Committee was called to order by Chairperson Xuan Kong and the Acton Public School Committee was called to order by Chairperson Kim McOsker at 7:34 p.m.

CHAIRMAN'S INTRODUCTION

Xuan Kong announced that there will be a live debate on Acton TV between Senator James Eldridge and Dean Cavaretta on October 17th at 7pm.

Xuan and the Committee welcomed new Boxborough member, Dr. Mary Brolin. Mary thanked the Boxborough Board of Selectmen and School Committee for appointing her to fill Bruce Sabot's seat.

The FY13 ABRHS School Committee student representatives were welcomed: Caroline (Coco) DeFrancesco, Jennie He, Jacob Johnson, Tess Little, and Nikhil Manocha. The students said they are very excited to participate and represent ABRHS.

STATEMENT of WARRANT

AB warrant #13-006M dated 9/13/12 in the amount of \$127,374.75, warrant #13-007 dated 9/20/12 in the amount of \$1,849,588.12, and warrant #13-008 dated 10/4/12 in the amount of \$2,013,695.49 were signed by the Chair and circulated to the Committee for signatures.

APS warrant #201307 dated 10/2/12 in the amount of \$205,595.29 was signed by the Chair and circulated to the Committee for signatures.

APPROVAL of MINUTES

The minutes of the 9/6/12 Joint/AB/APS School Committee meeting were approved as amended. Mary Brolin abstained from voting.

PUBLIC PARTICIPATION

Student Rep Jacob Johnson spoke regarding teacher evaluations and a role for students based on the discussion in the Spring. He advocated for more student interactions input to be included, particularly for High School staff. He also suggested that department heads be involved. He cited a study funded by the Bill and Melinda Gates Foundation in 2010 about the effect of teaching on test scores. He believes the data shows that students can give effective evaluations. The goal is to give teachers constructive criticism. Jacob was thanked for sharing his thoughts. More discussion will take place on this topic in the future.

JOINT SCHOOL COMMITTEE BUSINESS

- 5.1 Acton BOS and FinCom Report
 - 5.1.1 Finance Committee meeting of 9/25/12

Paul Murphy reported that there was nothing relevant to report from the BOS.
Kim McOsker reported that Don Aicardi and Steve Mills presented at the Acton Fincom meeting on 9/25/12. Regular meetings will be set up for them to report back.

5.2 Acton Leadership Group (ALG) Report

Xuan reported that ALG met 9/13/12 hoping to get to consensus. Fincom wants earlier dialogue re the budget process from School Committee. It was suggested that all boards meet as a group to get to know each other better. It was decided that no substitutions in attendance will be permitted this year.

5.2.1 Input to ALG on Revenue Assumptions; Split Allocation; Override/No Override

Xuan explained the split and how money was divided. This will be on the ALG agenda. Xuan asked for School Committee to address these issues so that they could be brought back to ALG in a timely manner.

5.2 Boxborough Leadership Forum (BLF) Report

Maria Neyland reported that the BLF discussed their budget timeline. The Boards were asked to have their budget numbers in just before Thanksgiving. An update on Regionalization was given. Lots of questions were asked about the Lower Fields, such as is it coming in on budget, and how much rental income is coming in.

5.3 OPEB Task Force Update

Dennis Bruce reported that the town wide OPEB committee kicked off on 10/3/12. Steve Noone is chair. Discussion took place regarding how tough the issue could be but there are a lot of good ideas about funding. The goal is to bring a recommendation forward at the 12/13/12 ALG meeting, although this is later than they hoped. Don was thanked for his valuable participation. Guidance may come from the state in December. Maria said Boxborough does not have a subcommittee for OPEB but a transfer was voted in May. Xuan referred to Tess Summers' memo in the packet.

5.4 Regional School District Study Committee (RSDSC) Update/Issues

Xuan reported that the RSDSC met on 9/12/12 for a presentation by Roger Hatch and Melissa King from the Office of School Finance, DESE. The highlight was a DESE FY13 Chapter 70 simulation study for the expanded district showing a \$150,000 loss from the individual aid currently received by the three districts. There are a number of reasons for this, but it is not good news. The Committee was urged to keep in mind that the slides are a simulation, not actual.

Mike Coppolino contacted Senator James Eldridge and the Senator suggested that a letter be sent to him from the three School Committees as an official request expressing their concern over being penalized by the funding formula. The three chairs will compose and send this letter for the Committees.

There is a very important meeting next Wednesday night on Regionalization that Dr. Mills urged all to attend. Specifically, the meeting will try to reach consensus on three outstanding issues:

1. Governing structure of the new Region
2. 5% issue discount currently given to Boxborough for new construction
3. How to divide up savings between the two Towns

Dr. Bates and Dr. Mills discussed questions that have come up from the public that would not be addressed in a Regional Agreement. The memo in the packet represents only the Superintendents' views at this time. Resolution of these issues would take further discussion, including School Committee action, contract negotiation with unions, and discussion with the public. The Study Committee members were urged to keep a long term timeframe in mind for many of these important questions.

Dr. Mills said a possible date for the Special Town Meetings in both towns is Monday, April 29, 2013. Deanne O'Sullivan asked that the RSDSC website be updated to include the latest material. Maria emphasized that the Chairs of the three school committees, Kim, Xuan and Maria need to discuss any

position statements before they are posted, or be very clear about what the statement is saying and who it is from. Xuan confirmed that the three school committee chairs will create a position statement that addresses items that do not belong in the Regional Agreement. The next meeting of the RSDSC is 10/10/12.

5.5 EDCO FY13 Representatives (Voting Board members and Advisory members)

When the subcommittees and positions were voted at the 6/28/12 School Committee meeting, the EDCO Advisory Board positions were not included. EDCO Board members voted in on 6/28/12 were Brigid Bieber for the ABRSC and Steve Mills for the APSC.

AB VOTE:

Mike moved, Mary seconded and it was unanimously,

VOTED: that Steve Mills be the EDCO Advisory Representative for ABRSC.

APS VOTE:

Mike moved, Paul seconded and it was unanimously,

VOTED: that Xuan Kong be the EDCO Advisory Representative for APSC.

5.6 FY 13 SMART Goals

Dr. Mills said that there are fewer goals this year but they are more focused. He will accept comments or changes on the goals at any time. Goal #1 is an academic goal around student assessments from Deb Bookis. This is a sea change for our community but Dr. Mills wants to begin addressing it. He encourages his staff to take risks, saying that it is ok to not completely fulfill a goal as long as you have given it your best effort. Goal #2 regarding pupil services emphasizes transparency and efficiency. He has just begun working with an outside audit firm to look for efficiencies. Dr. Mills emphasized that this is not a goal to reduce special education services. Goal #3 is about the districts' financial plans including the revolving accounts. Dr. Mills recognized and thanked Tom Blondin, the financial analyst hired last year, for being in the audience. A full financial discussion of the revolving accounts will be done by Don Aicardi and Tom in December. Marie Altieri's Goal #4 regarding Teacher Evaluation dramatically changes how they will be evaluated. Goal #5 describes how Amy Bisiewicz and her team are moving students and staff to abschools.org and utilizing all the resources that that technology offers. Dr. Mills continues to try to make these goals quantifiable and measurable.

Mike Coppolino stated that the "R" in SMART represents "student academic outcomes" and asked that the measurable outcomes be as tied to student academic outcomes as appropriate. He also suggested that some of the outcomes be more quantifiable with numeric specifics. John Petersen spoke from the audience suggesting that Goal #4's statement of purpose should not be to pilot a new educator evaluation system, but to migrate to a new system.

The APS SC adjourned at 8:30 p.m. and the ABRSC continued.

ABRSC BUSINESS

6.1 Recommendation to Approve Revised FY' 13 ABRSD Assessments

Don Aicardi explained that every October the District is required to submit "excess and deficiency" (E&D) information to the Department of Revenue. Because the final amounts of Chapter 70 revenue, Choice/Charter Assessment and Charter School Aid were \$250,804 greater than the revenue assumptions used at both Town Meetings last spring, the Committee must decide how to deal with this change. Because this vote does not increase the assessment of either Acton or Boxborough, nor the total amount of the FY13 budget in any way, the Committee can make this decision without a Town Meeting vote. The recommended option is to lower the amount of E&D used, keeping the District under that statutory 5% (of the operating budget) cap limit. Don stated that this is terrific news. Mike Coppolino asked if either Finance Committee had advice on this topic. Maria Neyland said that Boxborough Fincom did not.

Maria Neyland moved, Brigid Bieber seconded and it was unanimously,

VOTED: that the total appropriation for the Acton-Boxborough Regional School District for the fiscal year of July 1, 2012 through June 30, 2013 be set at \$39,114,804 and that member towns be assessed in accordance with the Education Reform Law and the terms of the Agreement and amendments thereto as follows: Acton \$25,193,314, Boxborough \$5,901,118, remainder to be accounted for by the Anticipated Chapter 70 Aid in the amount of \$6,659,200, Anticipated Charter School Aid in the amount of \$108,536, Transportation Aid, Chapter 71, Section 16C in the amount of \$732,782, a transfer from E&D Reserves in the amount of \$519,196, and a transfer from the Junior High School Project Premium on Loan in the amount of \$658.

6.2 Long Range Financial Planning

Xuan Kong presented on “Why Conduct Historical Expenditure Review?” He stated that the AB School Budget is a statement of the value of education of our community. He compared budgets to reality and asked the Committee to consider whether actual expenditures were more informative than budgeted figures. Mike thanked Xuan for “one of the most effective presentations he has seen at a School Committee meeting”.

6.2.1 Historical Review slides and worksheet

Don Aicardi presented on what the past could teach us about upcoming financial challenges, stating that:

- High School Building Capacity increased by FY05
- CPR review of FY04-05 led to additional staffing to address “990” concerns by FY07 and FY08
- Class Size Average worsened from FY02 to FY07; and then improved
- ABRSD population from FY02 to FY06 increased markedly and has slowed more recently
- School Choice funds supported seven positions as late as FY11; supports 2.8 positions in FY13.

The historical review concluded that:

1. Formula change in the Education Reform Act, along with student enrollment increases, drove the large Chapter 70 increases in FY08 and FY09. The slowing of our student population will mean that any growth in Chapter 70 will increase at a much more conservative level. It is unlikely that the large increases similar to the ones that began five years ago will occur again unless there is another review of the Education Reform law.
2. The ABRSD’s reserves, known as E & D, remain at or slightly below the statutory limit as the ABRSD enters a new, more austere financial era.
3. The following have contributed to holding budget authorization growth to 2.0%, from FY10 to FY13: tightening the technical calculations of the budget, municipal reforms and negotiated changes in the employee-employer ratios that have slowed the budgetary growth, the Health Insurance Trust balance that has kept recent annual rate increases low; and successful efforts to control spending, such as in utilities.
4. Budgetary increases for level service alone will likely be well over 3%. The “austere budget” increases of the last several years will no longer be possible due to a combination of flat Chapter 70 revenue, the non-availability of federal revenue, and already authorized spending commitments.

The School Committee and the Administration will collectively have to balance the Long Range Strategic Plan against a very challenging financial picture.

6.2.2 FY14 Preliminary Budget Priorities and Calendar

Dr. Mills said that this is the very beginning of a discussion that will go on for the upcoming months, through “Budget Saturday” on January 26, 2013 and up to the Town Meetings in April and May. He described the budget as something that has to be “pruned, so more of the flowers can grow”. He acknowledged that the investment budget is beyond level service, but it is based on the Long Range Strategic Plan and sound financial management. There is more money in reserves now than when he arrived as Superintendent. The Regional School District’s bond rating has also improved. Dr. Mills stated that there are steadily increasing demands being put on all teachers beyond the classroom, such as more complicated evaluations, ELL requirements, and mandates. More professional learning time opportunities are needed. The school budgets are a reflection of a community’s values. He looks forward to working

with the towns' finance committees and other community members to put successful budgets in place for next year.

His preliminary FY14 budget proposal includes:

- 2 Additional English Teachers at the High School
- Connections/Bridges Program
- Increase Drug/Alcohol Counseling Hours
- Increase Opportunities for Professional Learning

Xuan asked the Committee to come to the next meeting ready to share their priorities for the Regional School District for the coming years. Members mentioned class size and enrollment as key issues. Thanks to the position added this year, the counselor load at the High School went from 240 students to 219. With the 2 English teachers added this year, the student load now is 110 – 105 students per teacher, a big improvement. The issue now is that there is no time during the day to meet with students to discuss their work. Two more teachers would keep the same load, but add time for staff to work directly with students.

Dr. John D'Auria, President of Teachers21, presented to APS/ABRSD staff this week and emphasized that the focus in schools now is moving away from TEACHING and to LEARNING. Learning requires time and knowing the student. Four classes per day would be optimal. Our schools are nowhere near the staff load of 90 students that Concord-Carlisle and other towns have.

Brigid Bieber said that Open House at the High School was "Fantastic!" She noted the new computers that she saw in one of the classrooms as a striking example of the direct impact on student learning that the Committee's budget discussions can have. She was impressed with how much further into the curriculum the students were because of the faster computers that don't crash like the old ones used to.

John Petersen spoke from the audience citing the Boston Magazine rankings article and the notable per pupil spending column. The ABRSD ratio is considerably lower than Lexington, Concord-Carlisle, Lincoln Sudbury or any of the communities we compare to. He pointed out that this relates to the student – teacher ratio in a negative way but emphasizes that it does show that the District delivers excellent education with good efficiency.

6.3 Recommendation to Approve Field Trip to Dominican Republic

Dr. Mills stated that this is a community service learning trip, not just a cultural experience.

Maria moved, Brigid seconded and it was unanimously,

VOTED: to approve the High School Field Trip to the Dominican Republic.

6.4 Recommendation to Approve Exchange/Field Trip to China

This is a High School trip for next summer. A goal of Dr. Callen and her staff is to establish an annual student exchange. She and some of her staff members went to China last year and took a very close look with an eye toward safety at the schools and places where our students would be. This could be a pilot for our students to earn credit. The trip would be for students who had just finished 10th and 11th grades.

Brigid moved, Mike seconded and it was unanimously,

VOTED: to approve the High School Trip to China

Xuan asked the School Committee if they wanted to participate in the Acton Finance Committee sponsored "All Board" meeting to share thoughts about the boards' long range financial plans. The Committee agreed that they would like to participate. The date is not set yet.

Xuan asked the Committee for their view of the FY14 Budget, Chapter 70 aid and any input for ALG. Mike Coppolino stated that he wanted no override and to keep the split as is. He is generally comfortable with the outlook for the state aid increase from current funding level. Maria Neyland said it is very early to say anything about state aid for next year.

FOR YOUR INFORMATION

7.4 FY12 MCAS Results

Dr. Mills complimented Deborah Bookis on a very well done report. He said that we continue to be suspect about the relativeness and usefulness of these tests. Some of it is helpful, but he and Deb stressed that there are many other measures to also use. Deb said that MCAS is a summative assessment that helps with curriculum alignment, and seeing patterns that over time can help identify weaknesses and gaps in curriculum. It also can be used as a screen to identify students who may need intervention.

Specifically, two areas that have been identified for attention are the aggregate median SGP for 10th grade English Language Arts, and the median SGP for the SWD subgroup at the Junior High. An item analysis of the ELA results showed that at grades 7 and 10 students did not do well in multiple choice and open response questions that focused on using text evidence to support answers in literature and informational text. This is one of the major shifts of the CC or new MA Frameworks and where MCAS can be a helpful tool to help identify weaknesses in curriculum. For mathematics, the Jr High High Needs Group CPI (achievement) declined slightly and is being reviewed.

7.6 Notification of Pesticide Use on 9/19/12

Dr. Mills highlighted the recent and very serious EEE outbreaks. He approved the spraying of all school fields.

7.7 Boston's Best High Schools 2012: *Boston Magazine*

Dr. Mills highlighted this. APS/AB is ranked 9th, but per pupil spending is used as a metric and this hurts the District. He stated that this ranking is a tremendous tribute to our entire school community.

In response to only having water at School Committee meetings this year, Mike asked that any decision that affects School Committee members be discussed at a meeting. The chairs made this decision based on other town committees not serving refreshments at meetings, and the increased focus on health and wellness.

Xuan mentioned that the Mass. Association of School Committees (MASC) meeting is on November 9th and all School Committee members are invited to attend.

AB EXECUTIVE SESSION

At 10:30 p.m., it was moved, seconded and unanimously

VOTED by role call: that the **Acton-Boxborough Regional School Committee** go into Executive Session (Joint School Committee) to discuss strategy with respect to litigation.

(YES – Bieber, Brolin, Bruce, Coppolino, Kong, McOske, Murphy, Neyland, O'Sullivan)

Xuan Kong declared that an open meeting may have a detrimental effect on the litigating position of the Board and the Committee would return to open session for the sole purpose of adjourning.

At 10:35 p.m., the Committee was polled and voted to go out of Joint Executive Session.

NEXT MEETINGS

- October 18, 7:00 pm, APSC Meeting at RJGJHS Library, Education Report: *David Krane*, Principal of McCarthy-Towne School
- November 1, 7:30 pm, ABRSC Meeting at RJGJHS Library

The meeting was adjourned at 10:35 p.m.

Respectfully submitted,
Beth Petr

List of Documents Used: see agenda

Acton Boxborough Regional School District Study Committee

Full Committee

with the Acton Public and Acton-Boxborough Regional School Committees

DRAFT Minutes – October 10, 2012

Held at Library at RJ Grey Junior High School

Attendees

Committee members in attendance: Vince Amoroso, Peter Ashton, Curtis Bates, Mary Brolin, Adria Cohen, Jim Ham, Pam Harting-Barrat, Kristin Hilberg, Xuan Kong, Steve Mills, Mac Reid

Committee members not in attendance: Bob Evans

School Committee members in attendance: Brigid Bieber, Mary Brolin, Michael Coppelino, Xuan Kong, Paul Murphy, Maria Neyland, Deanne O'Sullivan

Other attendees: Beth Petr, several parents

Opening

The meeting opened at 7:35 p.m. Xuan Kong called the APSC and ABRSC to order at 7:35 p.m.

Minutes

Minutes from the September 12, 2012 full committee meeting and the Subcommittee B's meeting on 10/9/12 were approved.

Update re Ch70, other aid; hiring of Attorney Ed Lenox

Peter reported that since the R. Hatch presentation, Christine Lynch has confirmed that additional "bonus" aid of \$50 per student new to the Region, PK-6 (for the first year) would be received that would offset the drop in Ch70 funding if full regionalization was done. This was very good news. Mac has spoken with Senator Eldridge and the Senator is in support of an increase to \$100 per student, but that may not be likely.

Referring to the memo regarding the cost of contracts, Mac said that based on FY13, it looks like it would cost \$20,000 to move Boxborough staff to the Acton-Boxborough salary and health insurance.

Attorney Edward Lennox has been hired and is working with Mac and Peter.

Regarding the superintendents' memo concerning issues that would not be covered in a new regional agreement, Xuan stated that the three school committees will review the issues addressed and come to consensus on them. Peter asked the RSDSC to provide comment as well.

Discussion of Remaining Unresolved Issues

The following three items are unresolved because they each could have either an adverse effect or undue benefit to one of the towns.

1. Sharing of savings/benefits and calculation of assessments

Peter stated that legal expertise is needed on this critical issue. Comparisons must include: Boxborough's fixed costs are distributed over a smaller number of students than Acton making their per pupil cost higher, special education costs are handled differently between the two towns, Boxborough teachers generally have more longevity than Acton's, etc. This issue must be resolved showing benefit to both towns. The committee discussed whether it should be a 50-50 split or weighted. The subcommittee has not made a decision on this yet. The committee discussed whether to review/sunset the figures after five years. Peter suggested that a 70-30 split could be a sliding scale that would make the transition smoother. The committee discussed Jim Ham's analysis that was distributed at the meeting.

Comments:

- Sunset after 5 years because at that time we are one district
- 70-30 split
- 50-50 split because Boxborough has been flexible about assuming costs during the 5 years
- Instead of savings, more accurate to focus on the assessment after regionalization. Boxborough would get a windfall if assessment is unchanged. Both towns need to benefit. Go with 50-50 because savings would not exist without full regionalization.
- 60-40 split is best because it's in the middle, 70-30 is better than 50-50
- 70-30 split of savings is a substantial compromise for Acton when Acton pays 80-85% of the cost of the region.
- Boxborough could have added School Choice students to bring enrollment up and cost per pupil down, 50-50 is fair. Acton is given the chance to consolidate their schools and streamline operations.

2. Make-up of the Regional School Committee

- We build consensus together, but voting and persuasion power matter. 5 members with Acton having 3 votes each.
- No matter how the Committee is structured, Acton has voting control
- Boxborough will lose sole control of Blanchard School, while Acton will still control their 5 elementary schools
- Because Acton has school choice, members understand the loyalty families feel toward their elementary school, and Boxborough's concern about becoming one of 6. Acton encourages individual school identity and would continue to do that
- The subgroup agreed on 3B-5A SC members (slightly increasing Boxborough's voice) or 4B-5A (increasing even more) but with Acton members' votes counting more. Prefers 4B-5A.
- 4B-5A "with caution", this gives Boxborough something without making them equal

- Stating that Boxborough “can’t sustain themselves”, stressing the distinction between “voice and vote”, a member agreed with 4B-5A with weighted votes.
- 3B-5A should work, although some Acton citizens see this as a compromise

3. Treatment of construction costs in assessment

- Let Boxborough keep 5% as it is, but for new construction, base it on enrollment
- It was agreed that if something isn’t affected, it should not be changed
- Current 5% is an unnecessary benefit to Boxborough, should be restricted
- Some Acton voters have stated that the 5% discount must end

Emphasis was on the need to educate the public about the reason for considering full regionalization. “If it’s not broken, don’t fix it.” Townspeople want to know what they will get out of it. The Superintendents both stressed the educational benefits and efficiencies that could be achieved. Dr. Bates mentioned Boxborough’s tightening enrollment and finances and the concern given that “Blanchard is the heart and soul of Boxborough.” He sees this as a great opportunity but understands the importance of Boxborough’s identity. Dr. Mills stated that Boxborough is always well represented during Regional discussions.

4. School Committee Members’ Input

- Important to reach consensus now that can be brought to the School Committees and discussed prior to discussing with the public
- 50-50 split on savings recommended for School Committees’ discussion
- 70-30 split works
- Hesitation about having only 8 School Committee members for the work involved
- 4B – 5A School Committee members
- 5% Boxborough discount is a major issue for some Acton voters
- By turning over 5 schools to the new region, Acton is losing control
- Acton voters are asking how they will benefit from regionalization
- Savings should be given to Acton, construction discount should not exist
- 3B – 5A School Committee members is a compromise
- 60 – 40 split is a compromise and most feel the 5% discount for elementary schools should not exist

Consensus Regarding Framework for New Agreement

Consensus was reached by the RSDSC on the three major issues:

- 65-35 split on saved revenues
- 3B – 5A new school committee composition with Acton members having four votes each
- Boxborough continues to receive a 5% discount on regional (secondary school) construction but no discount on elementary school construction

It was the sense of the meeting that everyone had given up something and this was a true compromise to get to an initial proposal for presentation to the public to start the discussion.

Acton members must now try to convince Acton voters and Boxborough members must try to convince Boxborough voters. The focus should be on the students and how regionalization can improve their education.

Some concern was expressed that 8 School Committee members may be not enough due to the workload. It was agreed that Mac Reid would follow up on the possibility of an Ad Hoc member.

The Acton Public School Committee and Acton-Boxborough Regional School Committee adjourned at 9:35 p.m.

Outreach Activities

The following volunteered to help with Outreach: Adria Cohen, Vince Amoroso, Kristin Hilberg, Mary Brolin, Deanne O'Sullivan, Paul Murphy. They will connect with Kim McOsker who asked that the PTOs be included in publicity. The next Outreach meeting will be scheduled asap to work on publicity for the Oct 30th League of Women Voters Forum. Xuan will try to schedule a School Committee meeting before the Forum so the School Committee can discuss and review the Study Committee's proposals prior to them being presented to the public.

Long Range Plan/DESE Contact

Mac and Peter will set up a meeting with Atty Ed Lenox to discuss this requirement.

Next meeting

The next meeting for the full committee is scheduled for October 23, 2012 at 7:30 am in the Science Lab at the Blanchard School in Boxborough.

Closing

The meeting adjourned at 9:50 p.m.

Respectfully submitted,
Beth Petr

List of Documents Used:

1. Agenda
2. Memo to ABRSD Study Committee from Marie Altieri and Clare Jeannotte re Cost of Contracts, 10/4/12
3. Memo to AB Regional School Committee from Dr. Stephen Mills and Dr. Curtis Bates re Regionalization issues, 9/28/12
4. Memo to ABRSC from RSDSC re Issues, Discussions, and Preliminary Recommendations, 8/30/12
5. Analysis from Jim Ham

DRAFT Minutes of the Joint Meeting of the Acton Board of Selectmen, Acton Finance Committee, Acton Public School Committee, and Acton-Boxborough Regional School Committee

October 16, 2012, 7:00 p.m., RJ Grey Junior High Library

Pursuant to a notice duly posted with the Town Clerk and with a quorum of members present, the committees convened at 7:00 p.m. on October 16, 2012, to share issues related to long-range planning.

Moderator Bart Wendell introduced the evening, and members introduced themselves. In addition to a quorum of each of the boards, two members each from the Boxborough Board of Selectmen and Boxborough Finance Committee attended, as well as the Acton Town Manager, Acton Finance Director, Acton/Acton-Boxborough Superintendent of Schools, Acton/Acton-Boxborough Finance Director, and Boxborough Town Administrator.

The participants broke into four groups to work through the exercise described below.

The purpose of this exercise is to provide practice in working with members of the other boards/committees as well as seeing issues through their eyes. The conversation, though non-binding, may help to inform actual deliberation in the future.

The Dilemmas

A 'dilemma' describes a problem for which there is no right answer, only some answers that are better than others.

For those of us living in Acton (and likely Boxborough), three dilemmas in particular have risen to the surface. They are:

- A. OPEB vs. Present Services: Do we fund as fully as possible our pension liabilities according to the first analyses published this past year or do we protect present services at minimally their present levels or even increase funding for specific areas?
- B. The Revenue Allocation Split: Do we use funds freed by decreasing student enrollments to fund the needs of the citizens for municipal services or the needs of the citizens for school services (most specifically increased interaction between students and faculty)?
- C. Services vs. Tax Rate: Do we prioritize a reasonable property tax rate or focus on residents' desire for services?

Obviously, to fully vet responses to each of these dilemmas is far beyond the 20 minutes we have this evening. Rather, the task of each group is to:

1. Decide which of these three dilemmas should receive the *greatest* emphasis and attention this year.
2. Be prepared to present your group's consensus decision to the entire group in 2 minutes or less.

Ground rules:

1. The groups' 'decisions' are to be made by consensus, meaning:
 - a. All support this decision as the best choice achievable in the interest of the community even though it might not be, personally, their top choice

b. All views have been heard

Note: The third condition of true consensus, that all agree to support the decision in the future, does not apply to this practice situation.

Each group reported back to the whole, and individuals offered their feedback on the evening.

The meeting adjourned at 8:45 p.m.

MONTHLY ENROLLMENT
ACTON PUBLIC SCHOOLS
ACTON-BOXBOROUGH REGIONAL SCHOOLS
2012-2013 ACADEMIC YEAR

Oct-12

Levels	Sept. 1				Oct. 1				Nov. 1				Dec. 1				Jan. 1				Feb. 1				Mar. 1				Apr. 1				May 1				Jun 1			
	A	B(1)	C	Tot	A	B(1)	C	Tot	A	B(1)	C	Tot	A	B(1)	C	Tot	A	B(1)	C	Tot	A	B(1)	C	Tot	A	B(1)	C	Tot	A	B(1)	C	Tot								
K	265	43	6	271	267	43	6	273	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0								
1	312	59	7	319	312	59	8	320	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0								
2	350	54	8	358	348	54	8	356	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0								
3	383	53	7	390	382	53	8	390	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0								
4	355	55	2	357	354	55	2	356	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0								
5	354	58	2	356	354	58	2	356	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0								
6	382	76	5	387	382	75	5	387	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0								
K-6 Ungr.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0								
In D.Pre-sch.	37	5	0	37	37	5	0	37	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0								
O.D. Pre-sch.	3	2	0	3	3	2	0	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0								
O.D. SPED K-6	20	7	0	20	20	7	0	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0								
A.P.S. Total	2461	432	37	2498	2459	433	39	2498	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
7	377	74	11	462	375	74	11	460	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0								
8	396	71	7	474	396	72	7	475	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0								
J.H.S. Total	773	145	18	936	771	146	18	935	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
9	413	71	12	496	408	71	12	491	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
10	397	75	7	479	392	74	7	473	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
11	420	106	4	530	419	107	4	530	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
12	381	100	7	488	379	100	7	486	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
9-12 Ungr.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
P.G.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
H.S. Total	1611	352	30	1993	1598	352	30	1980	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
Total JHS & HS	2384	497	48	2929	2369	498	48	2915	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
O.D. SPED 7-12	45	9	0	54	45	9	0	54	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
Reg. Total	2429	506	48	2983	2414	507	48	2969	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
A.P.S. Total	2461	432	37	2498	2459	433	39	2498	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
Reg. Total	2429	506	48	2983	2414	507	48	2969	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
Grand Total	4990	506	85	5481	4873	507	87	5467	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						

All Principals (2)

C. Bates

D. Aicardi

S. Mills

Distribution:

In D. = In District

Pre-School = SPED
P.G. = Post Graduates
Ungr. = Ungraded
O.D. = SPED Out of District

In

A = ACTON
B = BOXBOROUGH
C = Choice/Staff/Tuition In

Students other than Choice counted under column C:

Staff Students -

Tuition In Students -

Sped Tuition in Students

Grade	YO	Conant			Total	Douglas			Total	Gates			Total	McCarthy-Towne			Total	Merriam			Total	#Sec.	Avg. Size	
		CAD	CB	CC	2#	DAD	DBD	DC	1#	GAD	GB	TC	112#	TAD	TB	TC	112#	MAD	MB	MC	1#	6#		
K-25	Rm	22	18	18	58	20	20	21	61	19	20	18	58	21	18	18	57	20	19	19	58	273	14	19.5
	Rm 3	4	5			3	4	5		1	3	8	3#	113	311	312	111#	224	234	323	3#	8#		
Gr. 1-2	Rm	22	22	21	65	22	21	21	64	21	22	21	64	22	22	20	64	21	22	20	63	320	15	21.3
	Rm 5	7	8			6	7	8		10	5	6	2#	114	301	302	132#	133	135	231	334	4#	8#	
Gr. 2-2	Rm	22	21	23	66	22	22	23	67	20	23	22	65	23	23	22	68	23	22	23	90	356	16	22.3
	Rm 10	17	9	1#		9	10	11	2#	17	7	9	1#	212	213	314	153#	233	321	322	332	1#	8#	
Gr. 3-2	Rm	25	24	25	74	25	24	25	74	25	25	25	75	24	24	25	73	24	23	24	94	390	16	24.4
	Rm 18	19	20			12	13	14		18	19	20	1#	115	210	310	121	230	330	331	1#	2#		
Gr. 4-2	Rm	23	24	23	70	23	25	24	72	24	24	23	71	25	23	23	71	25	23	24	72	356	15	23.7
	Rm 14	15	16			19	20	21		14	15	16		211	303	313	121#	223	235	335	1#	2#		
Gr. 5-2	Rm	24	24	24	72	24	24	24	72	24	24	22	70	23	24	23	70	23	24	25	72	356	15	23.7
	Rm 11	12	13			15	16	17		11	12	13	1#	112	214	215		232	324	333	4#	5#		
Gr. 6-1	Rm	26	26	27	79	26	23	26	75	26	25	26	77	26	26	26	78	26	26	26	78	387	15	25.8
	Total Staff				3#				3#				8#				10#				15#	39#		
Total Range		21 Sec. Aver.	23.0		484	21 Sec. Aver.	23.1		485	20 Sec. Aver.	23.1		461	21 Sec. Aver.	22.9		481	23 Sec. Aver.	22.9		527	2438	106	23.0
		18	27			20	26			19	26			18	26						19	26	18	27

000000October 1, 2012
Column C Breakdown

<i>Grade</i>	<i>Staff Free</i>	<i>Choice</i>	<i>Tuition In</i>	<i>Sped Tuition</i>	<i>Total</i>
<i>K</i>	6	0	0	0	6
<i>1</i>	8	0	0	0	8
<i>2</i>	8	0	0	0	8
<i>3</i>	8	0	0	0	8
<i>4</i>	2	0	0	0	2
<i>5</i>	2	0	0	0	2
<i>6</i>	5	0	0	0	5
<i>APS Total</i>	39	0	0	0	39
<i>Out District</i>	0	0	0	0	0
<i>Total</i>	39	0	0	0	39
 <i>7</i>	5	6	0	0	11
<i>8</i>	2	5	0	0	7
<i>Sub Total</i>	7	11	0	0	18
 <i>9</i>	0	12	0	0	12
<i>10</i>	0	7	0	0	7
<i>11</i>	0	3	0	1	4
<i>12</i>	0	6	0	1	7
<i>UG</i>	0	0	0	0	0
<i>Sub Total</i>	0	28	0	2	30
<i>Out District</i>	0	0	0	0	0
<i>Region Total</i>	7	39	0	2	48
					0
<i>Grand Total</i>	46	39	0	2	87

Acton Public School and Blanchard School K-6

October 1, 2012

Grade	Acton	*Non - Resident s Acton	Acton SchoolsTot al	Boxborough	*Non - Residents Boxborough	Boxborough SchoolsTota l
K	267	6	273	43	0	43
1	312	8	320	52	7	59
2	348	8	356	51	3	54
3	382	8	390	53	0	53
4	354	2	356	63	2	65
5	354	2	356	65	5	70
6	382	5	387	72	3	75
Ungraded	0	0	0	0	0	0
Post-Grads	0	0	0	0	0	0
Sped Out of District	20	0	20	7	0	7
Other	0	0	0	0	0	0
Total	2419	39	2458	406	20	426
Acton Enrollment	2419					
Boxborough Enrollment	406					
Total Acton /Boxborough	2825					
Acton %	85.63%					
Boxborough %	14.37%					
Total Percentage	100.00%					
Acton Preschool	40					
Boxborough Preschool	7					

*Non-Residents include Staff Children & School Choice

Acton-Boxborough Regional School District

October 1, 2012

Grade	Acton	Boxborough	*Non-Residents	Total
7	375	74	11	460
8	396	72	7	475
9	408	71	12	491
10	392	74	7	473
11	419	107	4	530
12	379	100	7	486
Ungraded	0	0	0	0
Post-Grads	0	0	0	0
Sped Out of District	45	9	0	54
Other	0	0	0	0
Total	2414	507	48	2969
Acton Enrollment	2414			
Boxborough Enrollment	507			
Total Acton /Boxboroug	2921			
Acton %	82.64%			
Boxborough %	17.36%			
Total Percentage	100.00%			

*Non-Residents include: Choice, Staff Children and Sped Tuition-in

Three Year Comparison

Year -->	2010	2011	2012	Total of 3 Yrs	Avg. of 3 Yrs
Acton Enrollment	2381	2391	2414	7186	2395.33
Boxborough Enrollment	576	536	507	1619	539.67
Total	2957	2927	2921	8805	2935.00
Acton %	80.52%	81.69%	82.64%	81.61%	81.61%
Boxborough %	19.48%	18.31%	17.36%	18.39%	18.39%
Total	100.00%	100.00%	100.00%	100.00%	100.00%

000000October 1, 2012
Comparison of Enrollment Projections

	ALL STUDENTS*	ASHTON'S	NESDEC	ONLY A & A/B
Levels	Actual	Projection	Projection	PS & A/B ACTUAL
K	273	280	276	267
1	320	315	295	312
2	356	349	313	348
3	390	365	304	382
4	356	359	313	354
5	356	356	328	354
6	387	373	346	382
A.P.S. Total	2438	2397	2175	2399
7	460	444	420	449
8	475	469	438	468
J.H.S. Total	935	913	858	917
9	491	477	435	479
10	473	464	421	466
11	530	520	440	526
12	486	482	430	479
H.S. Total	1980	1943	1726	1950
Reg. Total	2915	2856	2584	2867
Grand Total	5353	5253	4759	5266

*Includes Choice, staff students and tuitioned in students

0000000Count Comparison 2011-2012

Difference

Levels	Oct. 1, 2010				Oct. 1, 2011				Oct. 1, 2012				Oct 1, 2012 (-) Oct 1, 2011			
	A	B(1)	C	Tot	A	B(1)	C	Tot	A	B(1)	C	Tot	A	B(1)	C	Total
K	320	49	8	328	294	59	7	301	267	43	6	273	-27	-16	-1	-28
I	347	55	6	353	333	53	8	341	312	59	8	320	-21	6	0	-21
2	342	68	2	344	354	54	7	361	348	54	8	356	-6	0	1	-5
3	344	68	2	346	351	68	2	353	382	53	8	390	31	-15	6	37
4	369	71	5	374	351	66	2	353	354	65	2	356	3	-1	0	3
5	360	60	4	364	369	75	5	374	354	70	2	356	-15	5	-3	-18
6	394	75	1	395	361	84	4	365	382	75	5	387	21	9	1	22
K-6 Ungr.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
In D. Pre-sch.	41	7	0	41	38	8	0	38	37	5	0	37	-1	3	0	-1
O.D. Pre-sch.	5	3	0	5	2	3	0	2	3	2	0	3	1	3	0	1
O.D. SPED K-6	13	4	0	13	13	4	0	13	20	7	0	20	7	3	0	7
A.P.S. Total	2535	495	28	2563	2466	474	35	2501	2459	433	39	2498	-7	-4	4	-3
7	395	69	9	473	391	71	7	469	375	74	11	460	-16	3	4	-9
8	401	75	5	481	408	71	9	488	396	72	7	475	-12	1	-2	-13
J.H.S. Total	796	144	14	954	799	142	16	957	771	146	18	935	-28	4	2	-22
9	402	108	4	514	385	78	8	471	408	71	12	491	23	-7	4	20
10	390	101	6	497	415	109	3	527	392	74	7	473	-23	-35	4	-54
11	370	97	8	475	387	99	7	493	419	107	4	530	32	8	-3	37
12	381	115	12	508	361	96	7	464	379	100	7	486	18	4	0	22
9-12 Ungr.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
P.G.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
H.S. Total	1543	421	30	1994	1548	382	25	1955	1598	352	30	1980	50	-30	5	25
Total JHS & HS	2339	565	44	2948	2347	524	41	2912	2369	498	48	2915	22	-26	7	3
O.D. SPED 7-12	42	11	0	53	44	12	0	56	45	9	0	54	1	-3	0	-2
Reg. Total	2381	576	44	3001	2391	536	41	2968	2414	507	48	2969	23	-29	7	1
A.P.S. Total	2535	495	28	2563	2466	474	35	2501	2459	433	39	2498	-7	-4	4	-3
Reg. Total	2381	576	44	3001	2391	536	41	2968	2414	507	48	2969	23	-29	7	1
Grand Total	4916	576	72	5564	4857	536	76	5469	4873	507	87	5467	16	-29	11	-2

Enrollment by Race

October 1, 2012

School	Low Income	Asian/Pacific			African-			American			Percent Minority	Percent Asian	Total
		Islander	American	Caucasian	Hispanic	Indian	Minority	Minority	Asian				
Conant	11	274	6	197	7	0	287	59.30%	56.61%	484			
Douglas	21	137	6	336	6	0	149	30.72%	28.25%	485			
Gates	14	177	10	266	5	3	195	42.30%	38.39%	461			
McCarthy-Towne	20	72	19	359	28	3	122	25.36%	14.97%	481			
Merriam	16	136	10	366	11	4	161	30.55%	25.81%	527			
Total	82	796	51	1524	58	10	915	37.53%	32.65%	2438			
% of Total APS	3.36%	32.65%	2.09%	62.51%	2.38%	0.41%	37.53%						
JHS	46	249	17	646	22	1	289	30.91%	26.63%	935			
SHS	71	475	23	1425	55	2	555	28.03%	23.99%	1980			
Total	117	724	40	2071	77	3	844	28.95%	24.84%	2915			
% of Total A/B	4.01%	24.84%	1.37%	71.05%	2.64%	0.10%	28.95%						
Grand Total	199	1520	91	3595	135	13	1759	32.86%	28.40%	5353			
% of Grand Total	3.72%	28.40%	1.70%	67.16%	2.52%	0.24%	32.86%						

000000Minuteman School of Applied Arts and Sciences
October 1, 2012

GRADE	10/95	10/96	10/97	10/98	10/99	10/00	10/01	10/02	10/03	10/04	10/05	10/06	10/07	10/08	10/09	10/10	10/11	10/12
9	7	4	7	7	8	12	8	9	12	6	11	3	8	7	2	7	10	3
10	4	4	4	11	8	10	8	6	11	11	8	11	4	6	9	2	7	10
11	1	4	3	3	7	11	9	6	7	9	9	10	10	2	7	9	1	5
12	9	2	3	2	3	8	8	13	6	6	9	9	9	9	1	5	7	0
PG	17	7	7	4	7	6	9	4	2	2	0	4	1	4	3	0	0	0
ACTON																		
TOTAL	38	21	24	27	33	47	42	38	38	34	37	37	32	28	22	23	25	18
9	0	1	3	2	1	2	3	1	5	4	2	3	2	6	1	2	0	3
10	2	0	1	2	2	1	4	2	2	6	4	2	3	2	7	1	1	0
11	2	2	0	1	2	1	1	2	2	1	4	4	2	3	2	7	1	1
12	3	2	2	0	0	2	2	1	2	2	1	3	4	2	4	2	5	1
PG	1	1	3	0	3	0	0	2	3	1	3	0	0	0	0	0	0	0
BOXBOROUGH																		
TOTAL	8	6	9	5	8	6	10	8	14	14	14	12	11	13	14	12	7	5
GRAND																		
TOTAL	46	27	33	32	41	53	52	46	52	48	51	49	43	41	36	35	32	23

Update on School Enrollment Projections 2012

Peter K. Ashton
Mary Ann Ashton
Innovation & Information Consultants, Inc.
Concord, MA

November 1, 2012

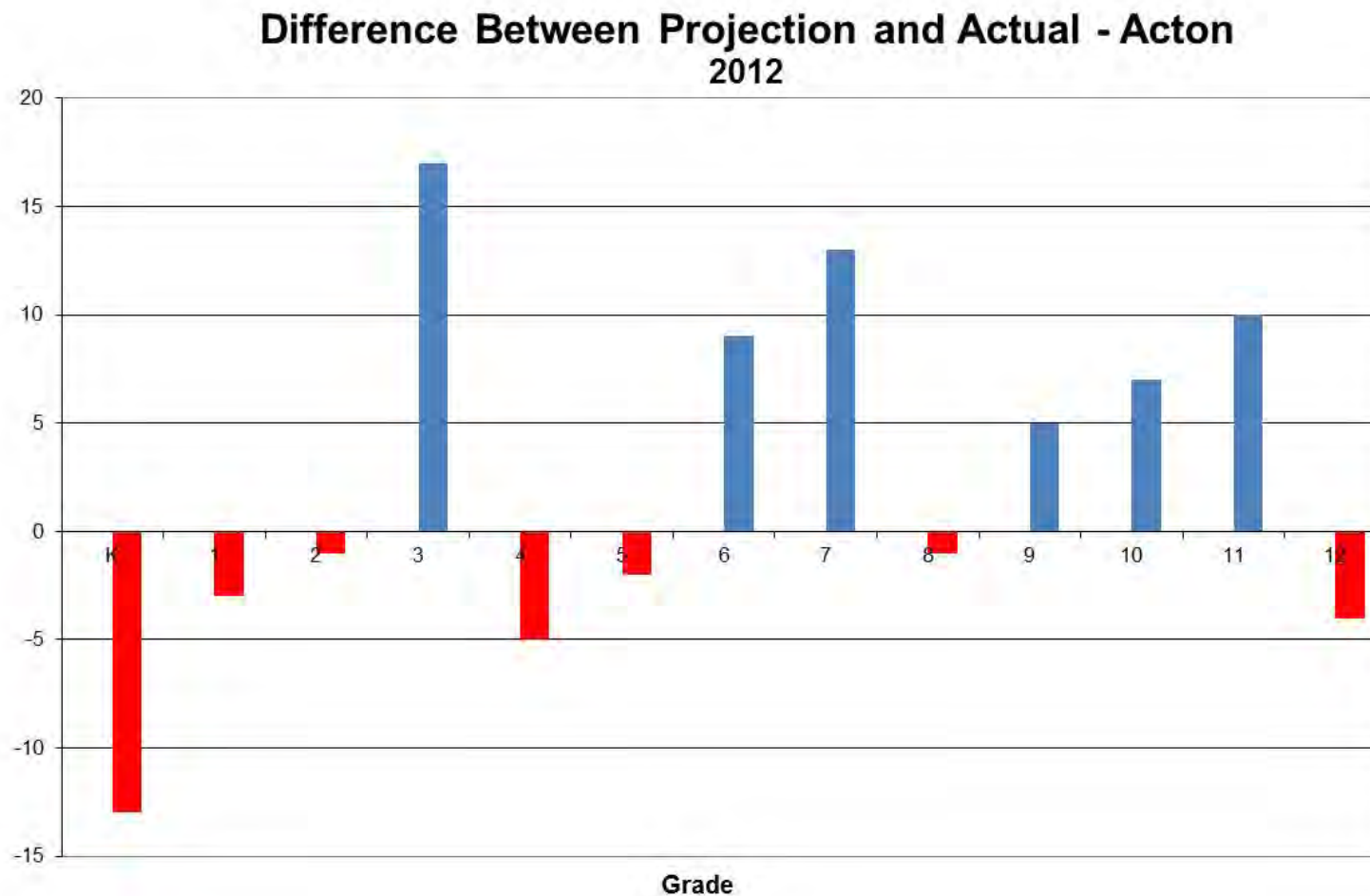
Enrollment Continues Flat or Declining

- Enrollment this year is down for Acton and Boxborough elementary schools, up slightly from last year at Region
 - APS enrollment declined by 14 students (less than 1%) from last year
 - Boxborough elementary down by 40 students (8.7%)
 - At Region, JHS decreased by 24 students and at HS increased by 20 students
 - Net overall decline in enrollment = (58) (-1%)

Change in Enrollment by Grade

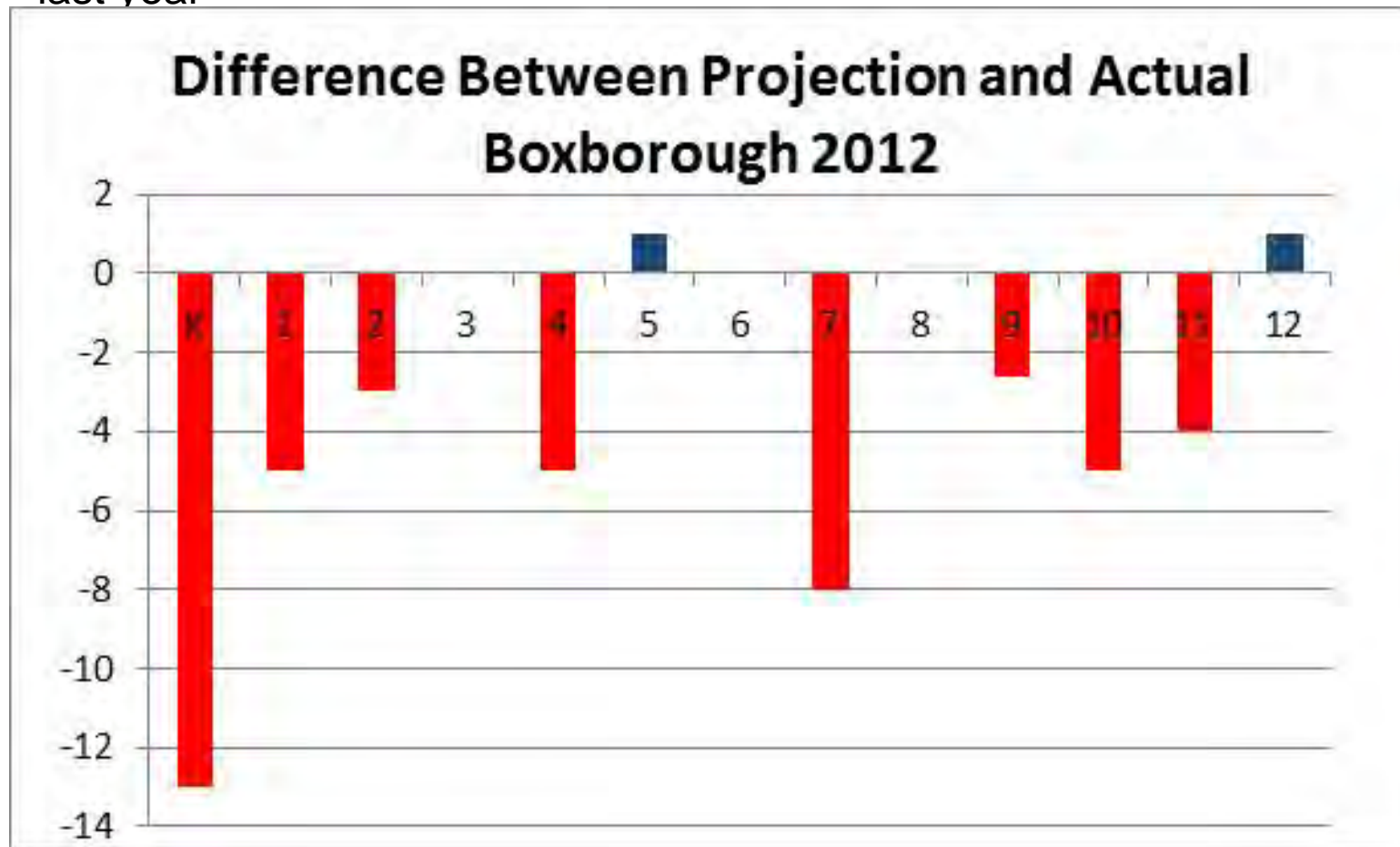
Acton 2012 vs. 2011

- Two more students at APS than what we projected last year
- Eleven more students at Region than what we projected last year



Change in Enrollment by Grade Boxborough, 2012 vs. 2011

- Blanchard had 25 fewer students than what we projected last year
- Boxborough had 19 fewer students at Region than what we projected last year

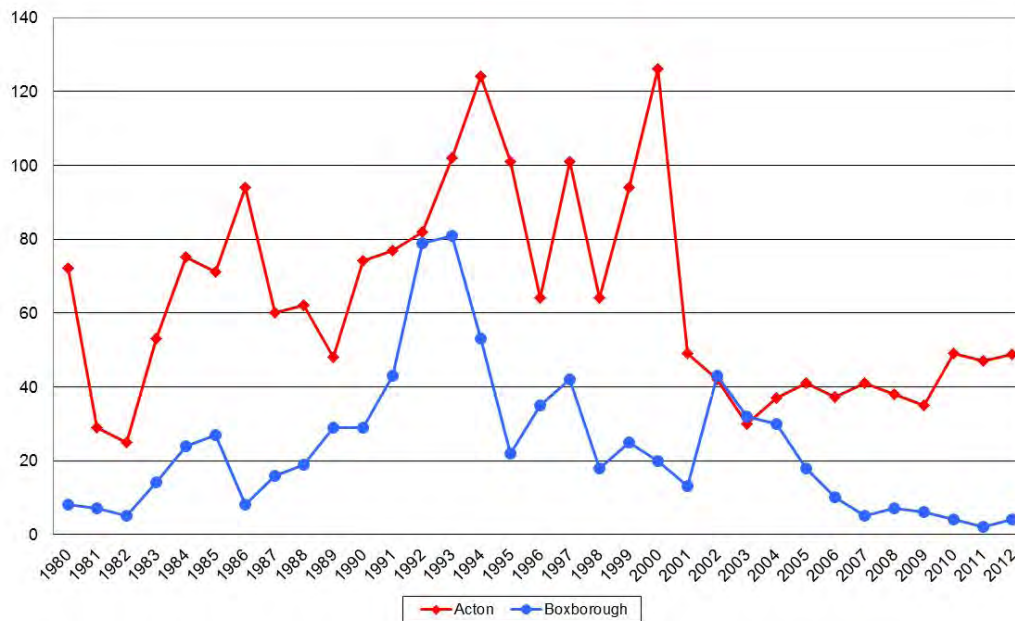


What is the Cohort Survival Method?

- Computes the ratio of children in one grade compared to the number who “survive” to the next grade
 - Starting point is birth to kindergarten ratio
 - based on relationship between kindergarten enrollments and live births five years earlier
 - Grade progression ratios follow the number of children who advance from one grade to the next
 - Relies on birth data and birth projections
 - Captures effects of net migration, population changes, retention rates, housing trends
 - Assumes history is a reasonable predictor of the future
- Use 5 year average of historical trends

Building Permits by Town

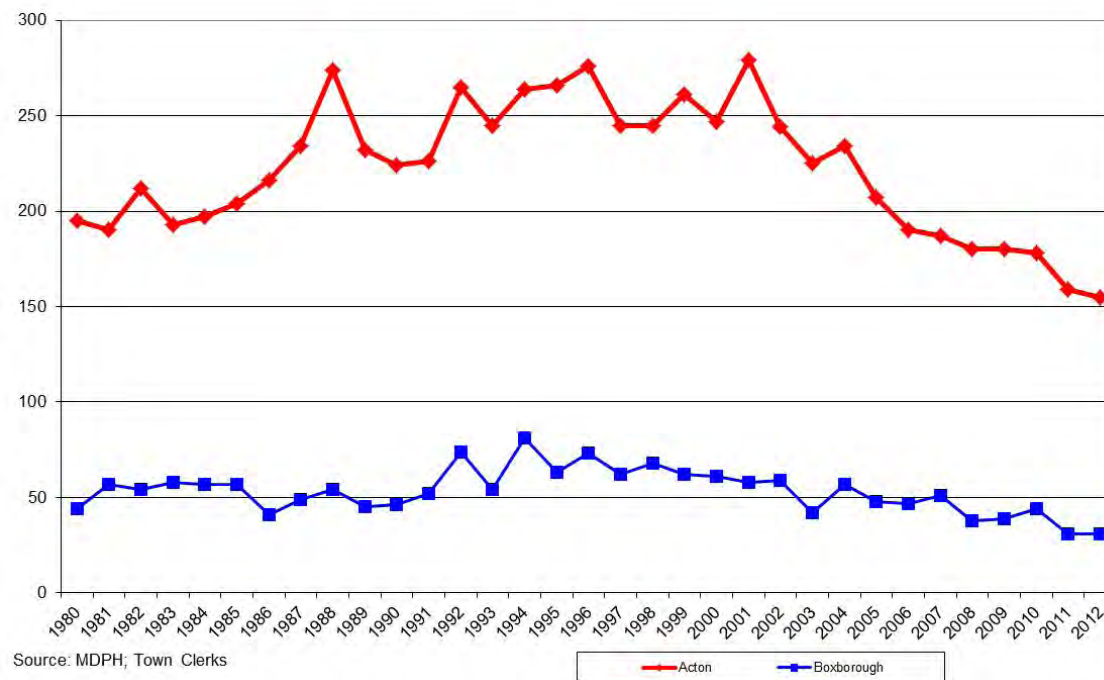
SF Building Permits:



- Number of single family permits in Acton has been declining for the last several years; slight increase in last two years
- Boxborough housing permits have been declining since 2002

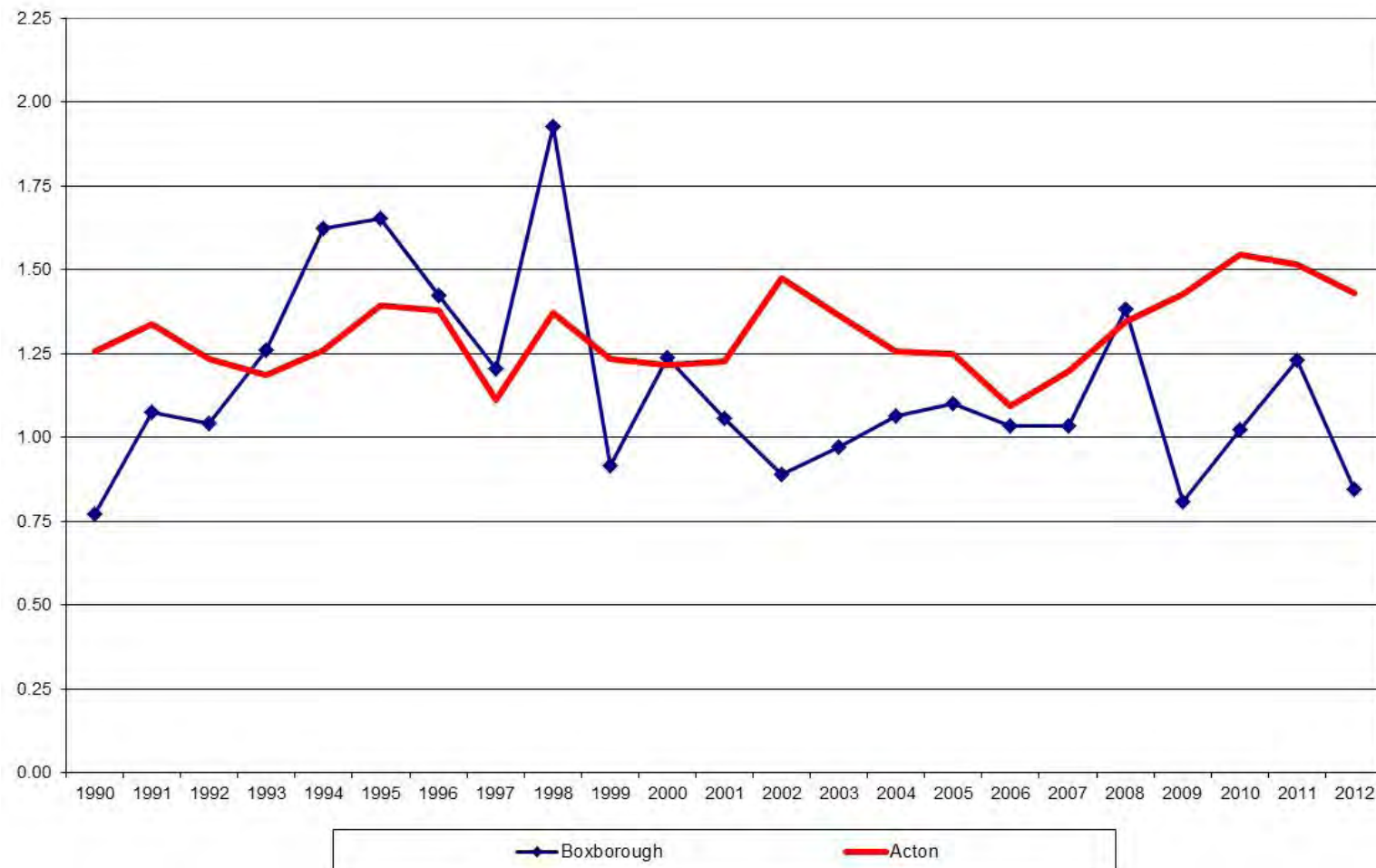
Births in Acton and Boxborough

1980-2012



- Acton and Boxborough births declining since 2002
- Reflects larger demographic trend, lower turnover rates

Comparison of Birth to Kindergarten Ratios

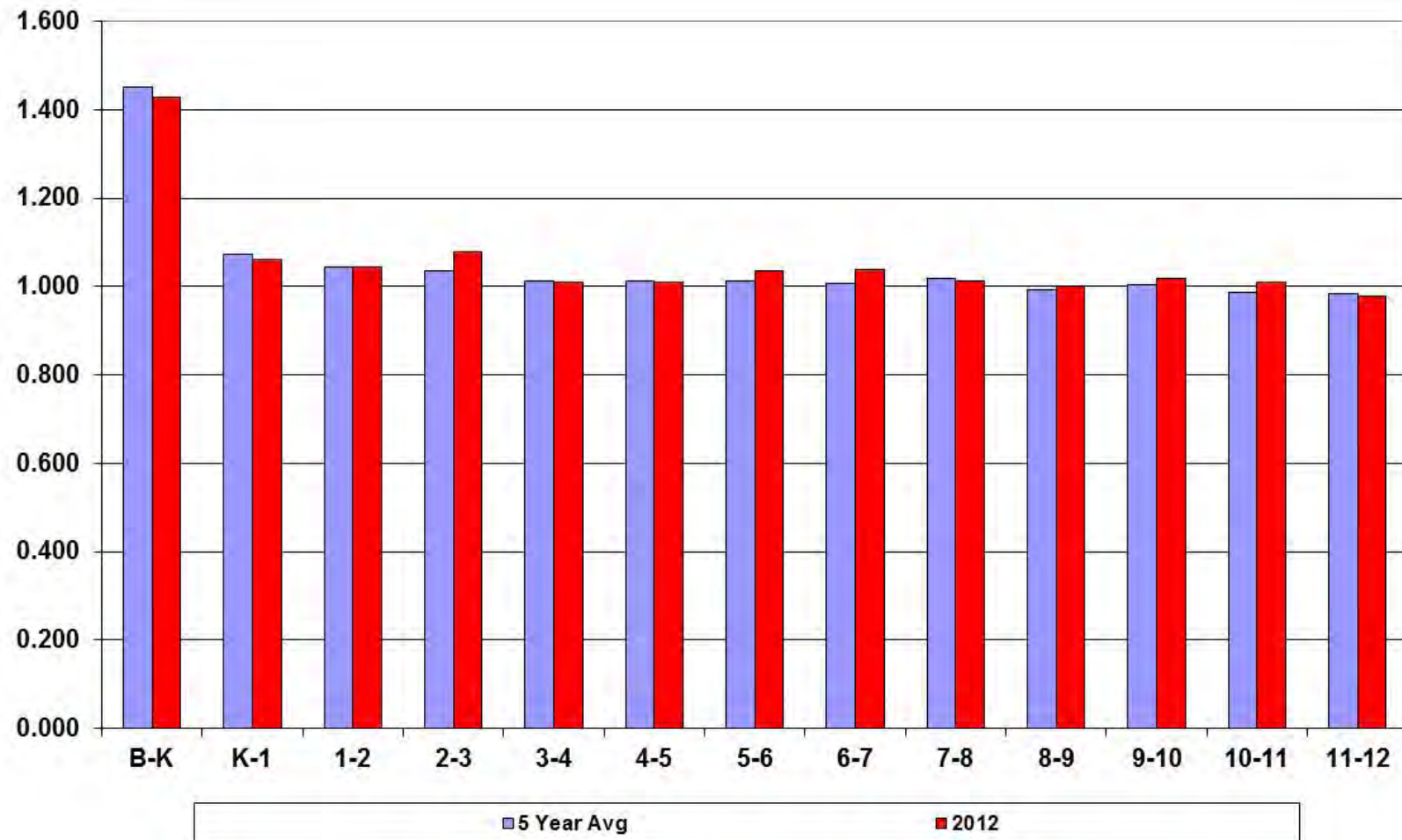


Enrollment Projections

- Projections developed using “standard” model (excludes “choice”)
- Grade to grade ratios are extremely stable
- Residential development clearly on the wane in both towns
- Turnover has also slowed
- Decline in enrollment is continues to be flat or declining
- Birth projections will need to be revisited once new projections are available based on 2010 Census

Comparison of All Grades Ratios

Acton – 2012 vs. Five-Year Average

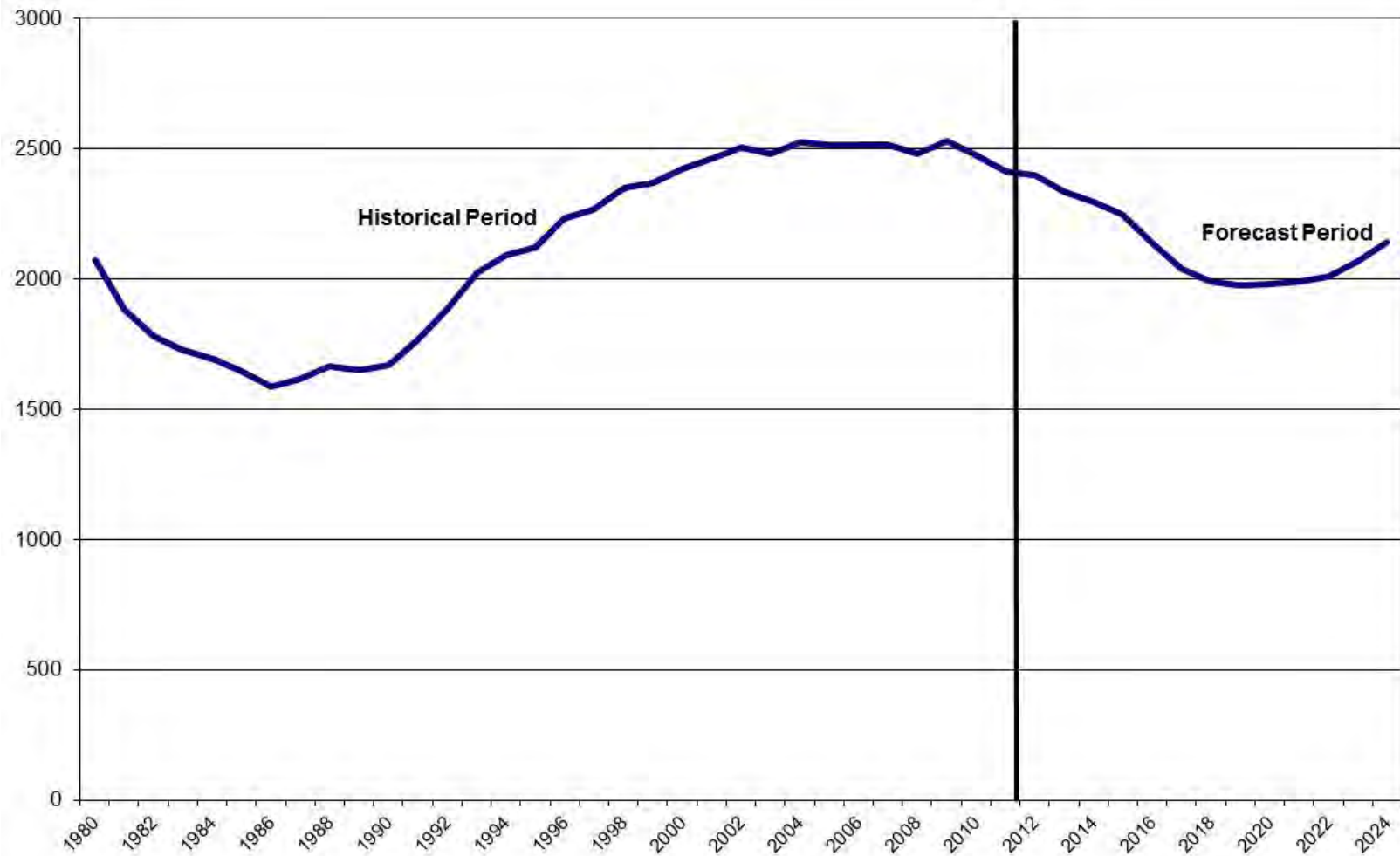


Enrollment Projections

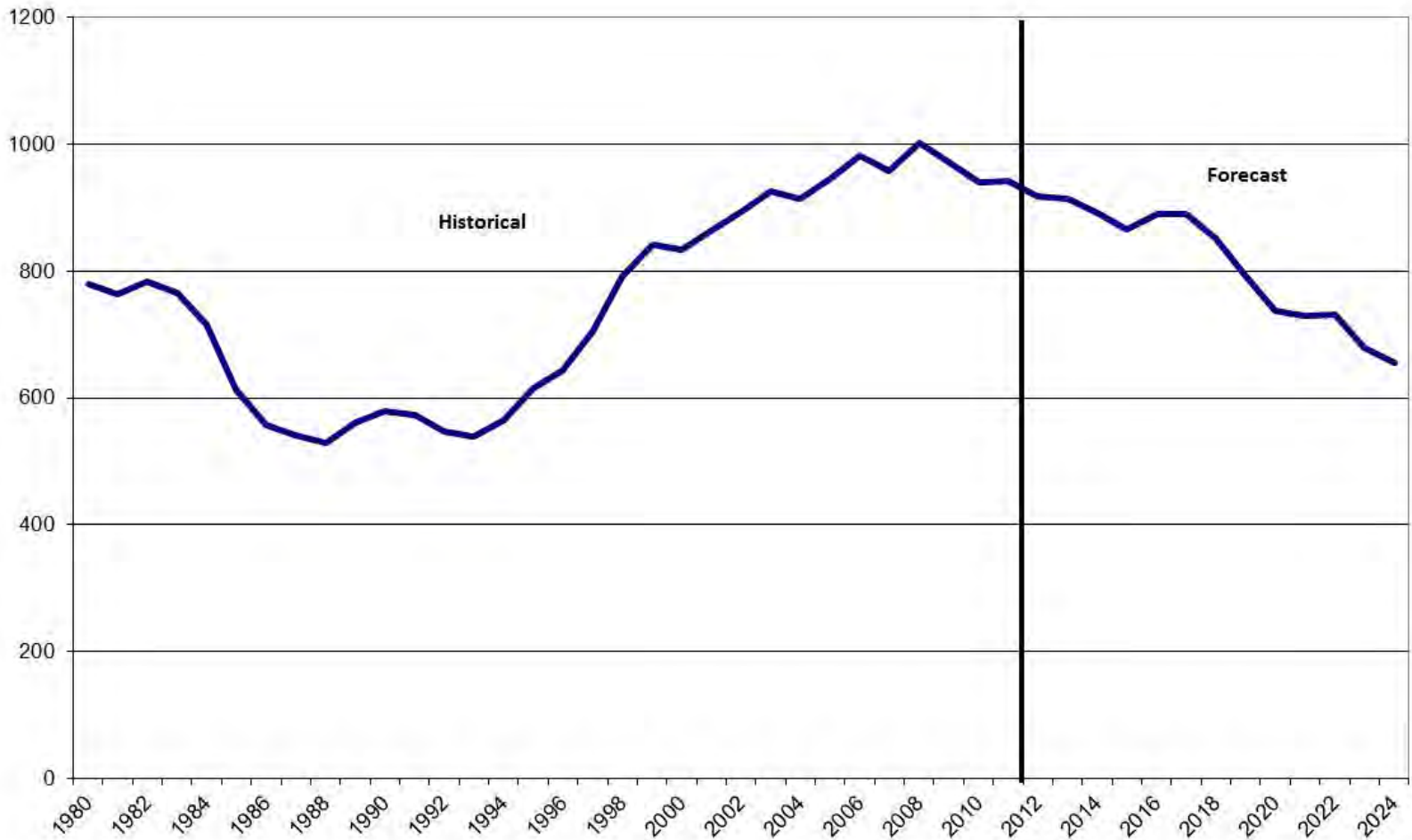
- Decline in births and in-migration lead to decrease in enrollment over the next decade
 - APS drops gradually; big drops in 2016 and 2017 – reflect lower births as well as other factors
 - JHS continues to drop
 - SHS up slightly this year, but will drop again over next couple of years
- Total Acton enrollment projected to drop 453 students over next five years (9.5% decline)
- Boxborough enrollment drops 22% over same period (202 students)

Acton Public Schools Enrollment

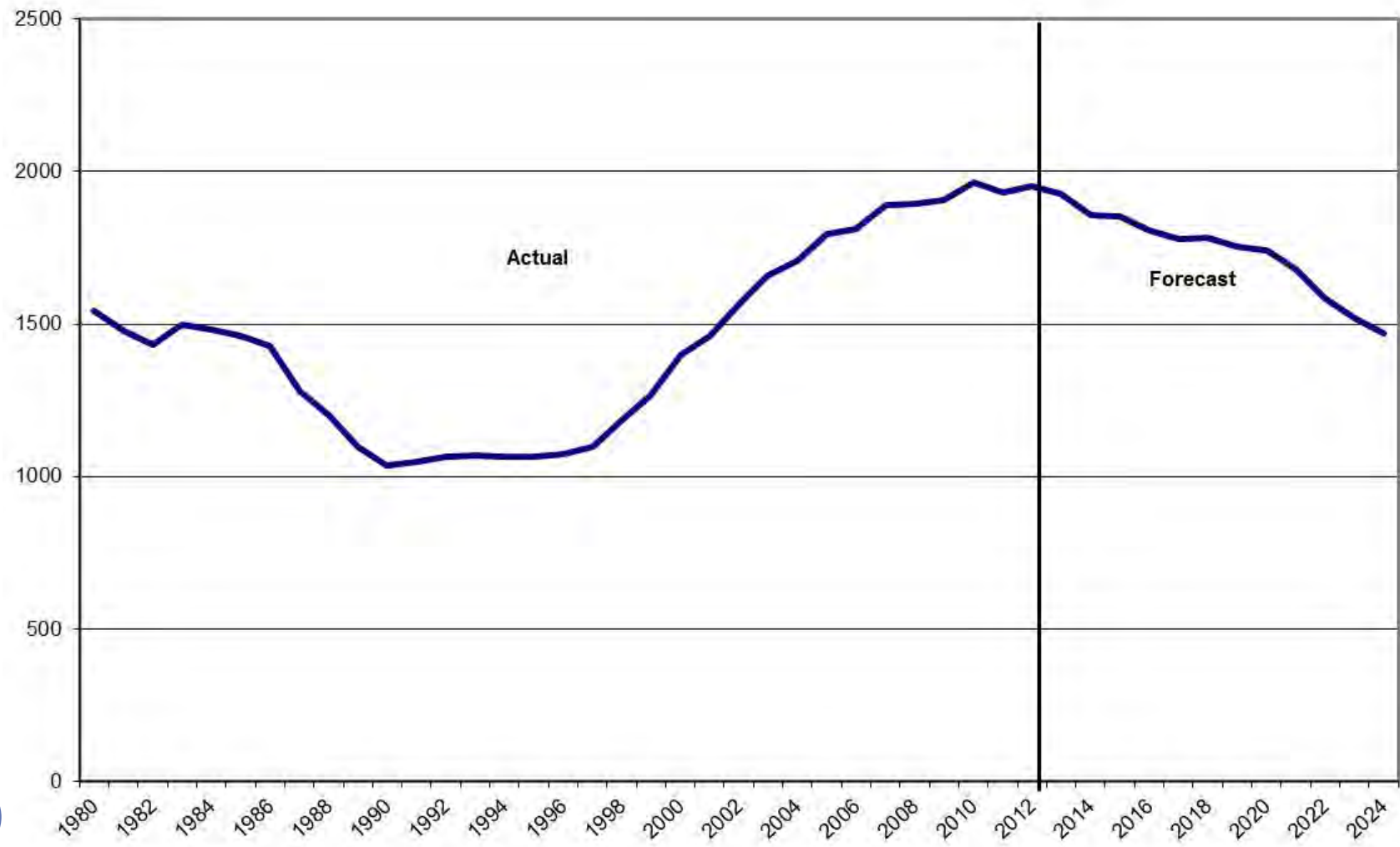
Kindergarten through 6



Junior High Enrollment

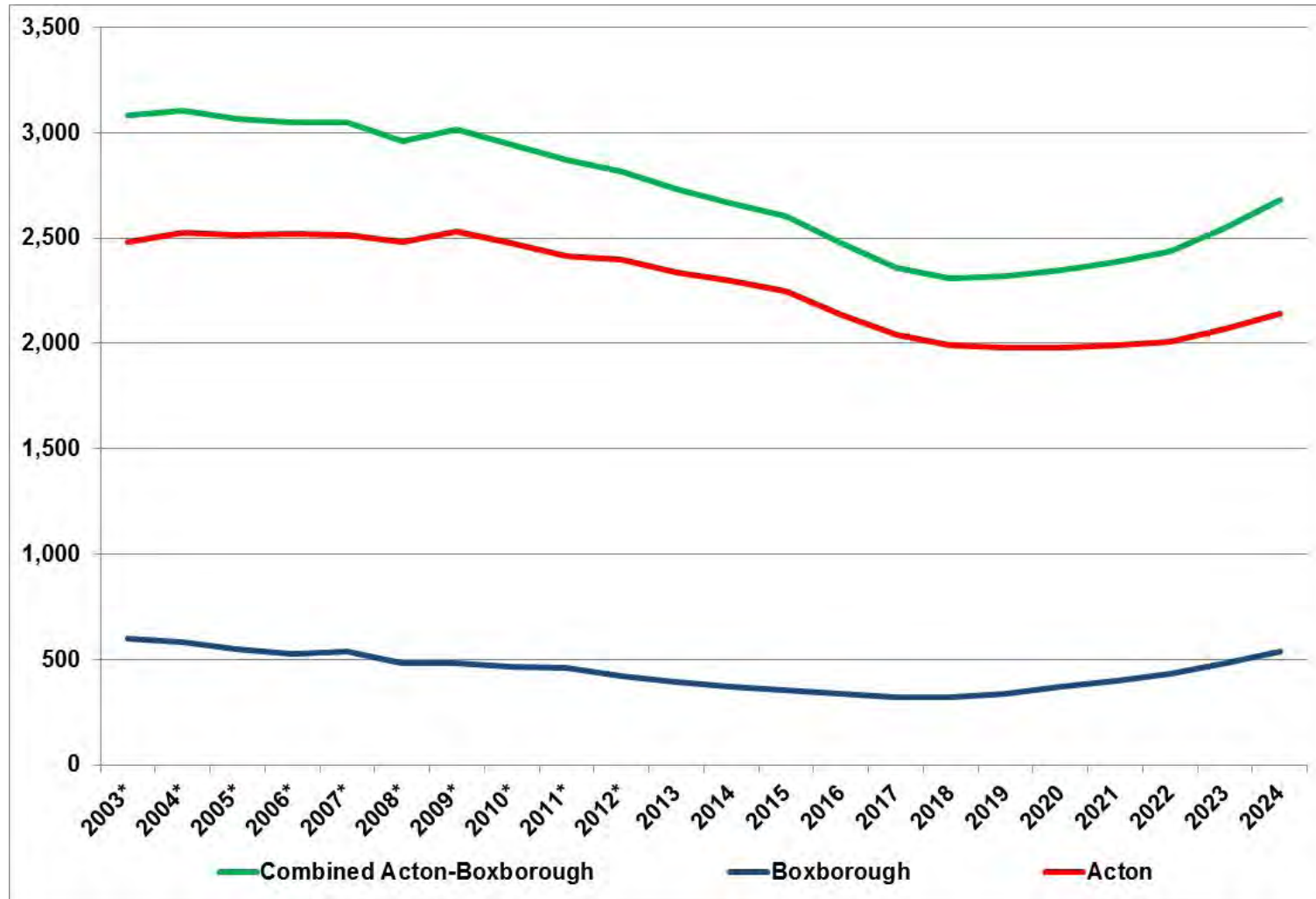


ABRHS Enrollment



K-6 Enrollment

For Acton and Boxborough 2003-2024



Revised Enrollment Projections - 10/12

PUBLIC SCHOOL ENROLLMENT PROJECTIONS									
Elementary School									
Acton, MA: 2003-2024									
Year	K-12	K	1	2	3	4	5	6	Total
2003*	4,517	334	348	369	360	355	365	349	2,480
2004*	4,575	328	352	363	376	365	361	379	2,524
2005*	4,654	308	352	359	372	380	375	370	2,516
2006*	4,712	305	315	371	375	375	387	390	2,518
2007*	4,762	292	320	340	389	394	382	397	2,514
2008*	4,773	301	326	336	349	381	404	384	2,481
2009*	4,830	334	333	349	358	359	391	407	2,531
2010*	4,815	320	347	342	344	369	360	394	2,476
2011*	4,760	294	333	354	351	351	369	361	2,413
2012*	4,768	267	312	348	382	354	354	382	2,399
2013	4,707	261	286	325	361	387	358	358	2,338
2014	4,610	261	280	299	337	366	392	363	2,298
2015	4,539	258	280	292	310	342	370	397	2,249
2016	4,424	231	277	292	303	314	346	375	2,138
2017	4,315	225	248	289	303	307	318	350	2,040
2018	4,243	251	241	258	300	307	311	321	1,990
2019	4,170	260	269	252	268	304	311	315	1,978
2020	4,127	266	279	281	261	271	308	315	1,980
2021	4,086	272	285	291	291	264	275	311	1,989
2022	4,019	277	291	297	301	295	268	278	2,008
2023	3,974	283	298	304	308	305	299	271	2,068
2024	4,000	289	304	310	315	312	309	302	2,141

PUBLIC SCHOOL ENROLLMENT PROJECTIONS			
Junior School			
Acton, MA: 2003-2024			
Year	7	8	Total
2003*	375	354	729
2004*	351	368	719
2005*	391	351	742
2006*	382	400	782
2007*	395	381	776
2008*	402	407	809
2009*	393	402	795
2010*	395	401	796
2011*	391	408	799
2012*	375	396	771
2013	385	382	767
2014	361	392	753
2015	365	368	733
2016	400	372	772
2017	377	407	785
2018	353	385	737
2019	324	360	683
2020	317	330	647
2021	317	323	640
2022	313	323	637
2023	273	320	592
2024	305	278	583

PUBLIC SCHOOL ENROLLMENT PROJECTIONS					
High School					
Acton, MA: 2003-2024					
Year	9	10	11	12	Total
2003*	343	328	315	322	1308
2004*	362	338	332	300	1332
2005*	368	361	341	326	1396
2006*	345	364	369	334	1412
2007*	391	345	366	370	1472
2008*	385	394	342	362	1483
2009*	402	382	383	337	1504
2010*	402	390	370	381	1543
2011*	385	415	387	361	1548
2012*	408	392	419	379	1598
2013	393	410	387	413	1602
2014	379	394	404	381	1559
2015	389	381	389	398	1557
2016	365	391	376	383	1514
2017	369	366	385	370	1491
2018	404	371	361	380	1516
2019	381	406	366	356	1509
2020	357	383	400	360	1500
2021	327	358	378	394	1457
2022	320	329	353	372	1375
2023	320	322	324	348	1314
2024	317	322	317	319	1275

Excludes choice
* Actual data

Sources: Acton-Boxborough School System
Acton Town Clerk & Building Commissioner
Mass. Department of Public Health

NOTE: This scenario is a result of utilizing 5 year averages for the grade to grade ratios and birth to kindergarten ratio

Revised Enrollment Projections - 10/12

PUBLIC SCHOOL ENROLLMENT PROJECTIONS									
Elementary School									
Boxborough, MA: 2003-2024									
Year	K-12	K	1	2	3	4	5	6	Total
2003*	1,146	66	68	91	87	86	108	95	601
2004*	1,151	66	70	74	98	79	85	109	581
2005*	1,152	67	74	67	75	96	84	88	551
2006*	1,126	60	67	76	68	76	95	87	529
2007*	1,138	61	71	76	78	73	83	95	537
2008*	1,082	58	57	72	71	71	74	78	481
2009*	1,061	46	61	67	69	81	79	79	482
2010*	1,031	49	55	68	68	71	80	75	466
2011*	983	59	53	54	68	66	75	84	459
2012*	917	43	59	54	53	65	70	75	419
2013	865	40	45	63	53	53	68	70	392
2014	805	41	42	48	61	53	56	68	369
2015	782	46	43	45	47	61	55	56	354
2016	750	33	49	46	44	47	64	55	338
2017	715	33	34	52	45	44	49	64	321
2018	699	58	34	37	51	45	46	49	320
2019	694	62	61	37	36	51	47	46	340
2020	700	67	66	65	36	36	53	47	369
2021	710	71	70	70	63	36	37	53	400
2022	738	75	74	74	68	64	37	38	430
2023	772	79	79	79	73	68	66	38	482
2024	803	83	83	84	77	73	71	67	538

PUBLIC SCHOOL ENROLLMENT PROJECTIONS			
Junior High			
Boxborough, MA: 2003-2024			
Year	7	8	Total
2003*	97	99	196
2004*	99	96	195
2005*	103	101	204
2006*	91	108	199
2007*	90	92	182
2008*	99	93	192
2009*	77	100	177
2010*	69	75	144
2011*	71	71	142
2012*	74	72	146
2013	71	75	146
2014	66	72	138
2015	64	67	132
2016	53	65	118
2017	52	53	106
2018	61	53	114
2019	47	61	108
2020	43	47	91
2021	45	44	89
2022	50	45	96
2023	35	51	86
2024	35	36	71

PUBLIC SCHOOL ENROLLMENT PROJECTIONS					
High School					
Boxborough, MA: 2003-2024					
Year	9	10	11	12	Total
2003*	97	100	74	78	349
2004*	97	102	101	75	375
2005*	103	91	101	102	397
2006*	100	104	96	98	398
2007*	116	100	106	97	419
2008*	87	116	100	106	409
2009*	97	88	116	101	402
2010*	108	101	97	115	421
2011*	78	109	99	96	382
2012*	71	74	107	100	352
2013	74	71	75	107	327
2014	77	74	72	75	297
2015	73	77	75	72	297
2016	69	74	78	75	294
2017	67	69	74	78	288
2018	54	67	70	74	265
2019	54	55	68	70	246
2020	63	54	55	68	240
2021	48	63	55	55	221
2022	45	48	64	55	212
2023	46	45	49	64	204
2024	52	46	46	49	193

Excludes choice

* Actual data

NOTE: This scenario is a result of utilizing 5 year average for grade to grade ratios and kindergarten to birth ratio

Sources: Acton-Boxborough School System
Boxborough Town Clerk & Town Planner
Mass. Department of Public Health

Year	Regional Enrollment				Region Total	Boxborough Share
	JHS Boxborough	JHS Combined	SHS Boxborough	SHS Combined		
2003*	196	925	349	1657	2582	21.1%
2004*	195	914	375	1707	2621	21.7%
2005*	204	946	397	1793	2739	21.9%
2006*	199	981	398	1810	2791	21.4%
2007*	182	958	419	1891	2849	21.1%
2008*	192	1001	409	1892	2893	20.8%
2009*	177	972	402	1906	2878	20.1%
2010*	144	940	421	1964	2904	19.5%
2011*	142	941	382	1930	2871	18.3%
2012*	146	917	352	1950	2867	17.4%
2013	146	913	327	1929	2842	16.6%
2014	138	891	297	1856	2747	15.8%
2015	132	865	297	1854	2718	15.8%
2016	118	890	294	1809	2698	15.3%
2017	106	890	288	1778	2669	14.7%
2018	114	851	265	1781	2632	14.4%
2019	108	791	246	1755	2546	13.9%
2020	91	738	240	1740	2478	13.3%
2021	89	729	221	1679	2408	12.9%
2022	96	732	212	1587	2319	13.3%
2023	86	679	204	1518	2197	13.2%
2024	71	654	193	1468	2123	12.5%

**Hypothetical Regional Enrollment Acton/Boxborough
Elementary School**

Year	K-12	K	1	2	3	4	5	6	Total
2003*	5,663	400	416	460	447	441	473	444	3,081
2004*	5,726	394	422	437	474	444	446	488	3,105
2005*	5,806	375	426	426	447	476	459	458	3,067
2006*	5,838	365	382	447	443	451	482	477	3,047
2007*	5,900	353	391	416	467	467	465	492	3,051
2008*	5,855	359	383	408	420	452	478	462	2,962
2009*	5,891	380	394	416	427	440	470	486	3,013
2010*	5,846	369	402	410	412	440	440	469	2,942
2011*	5,743	353	386	408	419	417	444	445	2,872
2012*	5,685	310	371	402	435	419	424	457	2,818
2013	5,571	302	332	388	414	440	426	428	2,730
2014	5,414	303	323	347	398	418	448	431	2,667
2015	5,321	305	324	337	356	403	426	452	2,603
2016	5,174	264	326	338	347	361	410	430	2,476
2017	5,030	258	282	341	348	351	367	414	2,361
2018	4,942	309	276	295	350	352	357	371	2,310
2019	4,864	322	331	288	303	355	358	361	2,318
2020	4,827	332	344	346	297	307	361	362	2,349
2021	4,797	342	355	360	355	300	312	364	2,389
2022	4,757	352	366	371	369	359	305	315	2,438
2023	4,747	362	376	383	381	374	365	308	2,550
2024	4,803	372	387	394	392	385	381	369	2,680

Town of Acton Finance Committee

FY2014 Finance Committee Point of View with Respect to the 2012-2013 Budget Planning Process

As in previous years, the Finance Committee offers this memorandum to describe the Town of Acton Finance Committee's Point of View ("POV") with respect to planning for the FY2014 Town and School Budgets. We have shortened the prose this year and instead are relying on our Long Range Financial Planning model to demonstrate the trends and forecasts that we see. As with prior Fincom Points of View, we invite comments back from the relevant operating boards and administrators, as well as from members of the public.

Revenues

We have modest expectations of revenue growth in the coming year. The need to support existing services should be balanced with the needs of the taxpayer. We assume a 2.5 percent increase in the levy for the coming fiscal year, but full levy capacity should only be utilized if necessary to support services that citizens have come to expect. We do not anticipate any increase in new growth, nor a change in the overlay.

We expect that state aid will continue along at previous years' pace; the Governor and the Legislature have consistently demonstrated a commitment to maintain Chapter 70 Education aid to cities and towns, but Acton's own declining enrollment may result in a decrease in expected aid. We assume that total state revenues will increase at a 2.5 percent rate over the current year. We also recognize that so-called federal stimulus funds for education from 2009 and 2010 have been completely expended at both the state and local levels.

Motor vehicle excise taxes have been trending at a very modest rate of increase for the last several years. We plan for a 1.5 percent increase in these revenues. The Board of Selectmen is encouraged to review fees routinely and ensure that they are matched with expenses. We project a 2 percent increase in fee revenues, and no increase in interest income.

Overshadowing all of these revenue assumptions is the acknowledgement that financial decisions made at the federal level over the next several months will impact all segments of the economy. While we do not attempt to quantify these events in the long range plan, our recommendations reflect our caution as we all navigate economic recovery.

Expenses

As several of the schools' and town's collective bargaining units return to negotiate this year, the settlement of these labor contracts is a significant unknown. Health insurance has increased at a very low rate for several years, reflecting changes in the employee

share as well as prudent management of the Health Insurance Trust. We project an 8 percent increase in payment for employee health costs. The schools have benefited from a very high reimbursement rate on the Special Education Circuit Breaker for the last several years, so we have assumed a smaller rate of increase (7 percent). Management efforts by all operating entities are expected to continue to hold utility increases in the 2 percent range.

Reserve Use

Turnbacks from the prior budget cycle are estimated at \$1.2 million, and several tax title collections received late in the year are also reflected in the Free Cash certification. Free cash for the Town of Acton as of July 1, 2012 has been certified at \$7.1 million, and the Acton-Boxborough Regional School District Excess & Deficiency account is expected to be certified at approximately \$1.2 million (Acton's "share"). These substantial reserves ensure that there is no need for an operating override for the next budget cycle (FY14). Despite these healthy reserves, the Fincom urges the operating entities to develop budgets that rely on only a conservative amount of these funds to balance. Our long range plan contemplates the use of up to \$1.5 million of reserves.

Level Service Budgeting

All operating entities have become accustomed for several years to plan for "level service" budgets. All have expressed the concern that there are priorities that need to be addressed. The Fincom urges the operating entities to only undertake new programs and initiatives where either there is a new revenue source identified to support this activity, or there is some current service that can be discontinued or otherwise economized to accommodate these services. In particular, we do not support additional hiring without offsetting expense reductions.

OPEB

The OPEB Working Group has begun their work, and they are anticipating providing several alternative recommendations for the Board of Selectmen, the School Committees and the Finance Committees to consider sometime later in November. We expect that they will provide recommendations about the amount of this liability to be funded by local taxpayers on an annual basis, what period of time will be required to meet this liability, and what funds could be used to meet this obligation. We will revise our POV Long Range Financial Plan with these numbers, once they are vetted and decided, but in the meantime in lieu of this information we are assuming the same numbers that we had previously used in our LRFP for the "Most Likely" case.

Long Range Financial Planning Tool

Attached is the summary page for our five-year plan using these assumptions, and a detailed page of our assumptions. The full model is available.

Scenario:	Fincom FY14 POV	FY12	FY13	FY14	FY15	FY16	FY17
		Town Meeting					
Revenues							
	Tax Levy (excluding debt)	63,781	66,398	68,499	70,653	72,860	75,123
	State Aid	11,633	12,216	12,522	12,835	13,156	13,485
	Local Receipts	3,906	4,018	4,082	4,147	4,213	4,280
	Debt Exclusion + SBAB reimburse	4,082	4,043	3,928	3,903	3,874	3,833
	Override	0	0	0	0	0	0
	Total Revenues (including debt)	83,402	86,676	89,031	91,537	94,103	96,721
Use of Reserves		1,853	1,700	1,500	1,750	1,750	1,500
	Available Revenues - including Use of Reserves, Less Debt Exclusion, SBAB	81,173	84,333	86,603	89,385	91,979	94,388
Expenses							
	Salaries						
	Salaries - Police	2,767	2,805	2,889	2,975	3,065	3,157
	Salaries - Fire	2,354	2,475	2,549	2,626	2,704	2,786
	Salaries - Other Municipal	6,044	6,453	6,646	6,846	7,051	7,263
	Salaries - Teaching	24,843	26,389	27,709	29,094	30,549	32,076
	Salaries - Other Education	10,133	11,252	11,590	11,938	12,296	12,665
	Health Insurance	10,760	9,328	10,074	10,880	11,750	12,690
	Fringes Other (incl Pension)	4,361	4,886	5,032	5,183	5,339	5,499
	Capital and One-Time Expenses	1,814	2,467	2,541	2,617	2,696	2,777
	Included Debt Service	557	484	494	504	514	524
	SPED Tuition & Transportation	5,643	5,470	5,853	6,262	6,701	7,170
	Other Student Transportation	862	798	838	880	924	970
	Utilities, Gas & Diesel	2,660	2,834	2,891	2,949	3,008	3,068
	All Other	8,816	8,193	8,357	8,524	8,694	8,868
	Total without Excluded Debt	81,614	83,833	87,462	91,277	95,289	99,511
	% Increase		2.72%	4.33%	4.36%	4.40%	4.43%
Cost Reduction		0	0	(649)	(750)	(836)	(836)
Service Delivery Increases		0	0	0	0	0	0
Capital Plans		0	0	0	0	0	0
OPEB Contribution		0	500	700	900	1,000	1,500
Net Position		(441)	(0)	(1,559)	(2,792)	(4,310)	(6,623)

Assumptions				Decisions														
Revenues				Favorable	Most Likely	Unfavorable		FY14 Fincom										
Tax Levy								POV										
Annual Increase				2.5%	2.5%	2.5%		2.5%										
New Growth				0.0%	0.0%	0.0%		0.0%										
Overlay				0.0%	0.0%	0.0%		0.0%										
State Aid																		
Cherry Sheet				2.5%	5.0%	2.5%		2.5%										
Regional Revenue (Acton Share)				2.5%	5.0%	2.5%		2.5%										
Local Receipts																		
Excise Taxes				1.5%	2.5%	1.5%		1.5%										
Fees				2.0%	2.5%	2.0%		2.0%										
Interest Income				0.0%	0.0%	0.0%		0.0%										
Expenses				Favorable	Most Likely	Unfavorable												
Salaries																		
Salaries - Police				2.5%	3.0%	4.0%		3.0%										
Salaries - Fire include \$482 in Ambulance				2.5%	3.0%	4.0%		3.0%										
Salaries - Other Municipal				2.5%	3.0%	4.0%		3.0%										
Salaries - Teaching				4.0%	5.0%	6.0%		5.0%										
Salaries - Other Education				2.5%	3.0%	4.0%		3.0%										
Health Insurance				7.0%	8.0%	9.0%		8.0%										
Fringes Other (incl Pension)				2.5%	3.0%	4.0%		3.0%										
Capital and One-Time Expenses				2.0%	3.0%	4.0%		3.0%										
Included Debt Service																		
SPED Tuition & Transportation				8.0%	10.0%	12.0%		7.0%										
Other Student Transportation				3.0%	5.0%	7.0%		5.0%										
Utilities, Gas & Diesel				2.0%	3.0%	4.0%		2.0%										
All Other				1.0%	2.0%	3.0%		2.0%										
Salaries																		
Salaries - Police				Still in negotiation	Historical increase from FY 06-FY11 has been 4.9%													
Salaries - Fire				Firefighter CBA calls for 1.5% increase for FY13, historically the increase has been approximately 3% per year														
Salaries - Other Municipal				Historical increase from FY 06-FY11 has been 4.3%														
Salaries - Teaching				AEA CBA calls for 1.7 % increase for FY13, steps and lane progression add 2.0% for a total increase of 3.7%														
Salaries - Other Education				AFSCME and OSA CBA call foe 4.8% increases in FY13														
Health Insurance				Historical increase from FY 06-FY11 has been 7.5%				Segal Actuarial Consultants Study used 8.5%										
Fringes Other (incl Pension)				Historical increase from FY 06-FY11 has been 15.0% Catch up contribution to the Middlesex Retirement Plan account for half of that increase														
Capital and One-Time Expenses				Historical increase from FY 06-FY11 has been 4.0%														
Included Debt Service																		
SPED Tuition & Transportation				Historical increase from FY 06-FY11 has been 10.1%														
Other Student Transportation				Historical increase from FY 06-FY11 has been 7.7%				Source Data USEIA Annual Energy Outlook price forecast for 2012 -2017 Gasoline 5.3%										
Utilities, Gas & Diesel				Source Data USEIA Annual Energy Outlook for 2012 -2017 price forecast for Natural Gas -0.6%, Heating Oil 4.9% Electricity 0.6% Gasoline 5.3%														
All Other				Historical increase from FY 06-FY11 has been 1.5%														

ALG Minutes 10/17/12

Present: Bart Wendell, facilitator, Janet Adachi, Pam Harting-Barat, BOS; Xuan Kung, Kim McOsker, SC; Doug Tindal, Mary Ann Ashton, FC; Steve Ledoux, Steve Mills, Steve, Barrett & Don Aicardi, staff.

Audience: Pat Clifford, FC; Charlie Kadlec & Dick Calandrella, AVG

Minutes of September 13 were approved.

2. Update of FY 13 revenues—Steve Ledoux & Steve Mills

S. Mills—too early to say do not see any dramatic changes. Steve Ledoux “ditto”

Don: The only material change is the state aid number is higher—new table 6. That means we will not use as much E&D—change in Town Assessments; Sent in the paperwork to DOR to get the E&D certified.

SL: we will start the budget review today—go over FY 14 & requests for FY 15 & 16

3. Discussions on Revenue Projections FY 14---All; **Extra Info: spreadsheet**

MA: We asked Steve & Don to revise the spreadsheet; they have done a good job

Don walked the members through the new spread sheets

Page #1—“Things [the numbers] are the same as they were when we left off last year; most of FY 14 col. are what they were in the spring; AB & APS the same; under Health Trust the \$952k is important. The HIT is going through a design change & there will be a new score card showing the savings in the future.

The \$952k is a “guess for FY 14” which will allow the entities to go up 5%. Right now we are using the old expenditure---the \$952k—is at the bottom [of the col.] because it is not yet in the budget

Steve B: tax levy change that was based on the multi-year plan to get the budget to \$0 for Town Meeting. The tax levy is the biggest revenue source it is based on the 2.5 & growth .The tax bill will change when we set the tax rate.

Mary Ann: All of these numbers assume no change in the values of Single Family—I don’t think we can expect as smooth progression.

Don: temporary levy increase [as the debt decreases] debt numbers have been update. OPEB page: \$500k, FY 13; \$700k FY 14; \$900k ---this is the same as last year---we don’t have any new numbers [from the OPEB committee] so have just repeated.

State aid numbers for FY 13 reflect the cherry sheet for APS & AB & will be reconciled on the recap sheet in Dec.[is accepted by the DOR] For FY 14 the Ch 70 is “my best guess” at the moment; AB transportation reimbursement # will increase for \$60-\$65k. As enrollment starts to decline, APS---we will be using the Foundation number & local count so we will expect an increase in Ch.70 for APS. The proportion of Acton vs. Boxboro’s costs, based on a three-year average, are highlighted in the yellow

box –Acton is 80.6% of the assessment it will increase to 81.61% as Boxboro decline—Acton will be paying more.

Steve L: we should take into account the Federal “trickle down”—as the federal funds decrease there will be more costs for the states---it will have an impact.

Steve B: **Local receipts page**

Amounts peaked in FY 08---the biggest change is in the investment income; we estimate motor vehicle at \$2.6M, which may become the new average but we will not know until Feb, when the 1st bill is sent.

Doug: what is the driver for fees?

SB: the selectmen increase the fees.

SL: the permits are increasing for additions and not new construction

Doug: are we recovering our expenses with the fee increase? What percentage do we recover? Ans: more than half.

Don: **Reserve page**

Line A: Beginning positions: FY 12--\$8,025 M; FY 13--\$8,969 M; FY 14--\$10,147 M; FY 15---\$8,632 M; FY 16--\$7,130M

E&D capped at 5% of total AB --\$1.9 m; NESWC finite; free cash; part of the replenishment is froth closeout of articles

Line B: Actual annual reserve use: FY 12[final] \$1,853M (% for budget support 2.7%); FY 13 [in use] \$1,298 M (% of budget support 1.54%) The change is the \$419k (lower) for Acton portion of certified E&D (% for budget support. FY 14 [estimated] \$2,065 M (% of budget support 2.36%) FY 15 [estimated] \$2,052 (% of budget support 2.23%) FY 16 [estimated] \$2,006 M (% of budget support 2.08%)

Line C: Assumption of reserve replenishment generated in the prior fiscal year: 6/30/11 \$3,128M [\$0 NESWC]; 06/30/12 \$2,476 [\$61k NESWC]; 06/30/13 \$550M [\$0 NESWC]; 06/30/14 \$550M [NESWC \$0]06/30/15 \$550 [NESWC \$0

Line D: Year End available balance (A minus B plus C) Available FY 13--\$9,300M; Available FY 14 \$10,147 M; Available FY 15 \$8,632; Available FY 16 \$7,130M; Available FY 16 \$7,130M; Available FY 17 \$5,674 M

These numbers are transferred to the composite budget on page 1.

Steve B: last page is a break out of the allocations and is helpful for administration purposes.

Xuan asked what portion of the of the turn back was for APS. Ans: \$360k

Xuan: can we expect another big turn back from the Town?

SB: In FY 12/11 there was the overlay surplus; closing down of old warrant articles; light winter—snow & ice budget was good; legal budget is down; there have been staff vacancies & unemployment costs were less.

Mary Ann: is there any overlay reserve? The Fin Com would like to see what's available

SL: The assessors will be closing out soon & then we will know.

SB: We will have a draft reconciliation of the overlay for the next meeting

Bart: does anyone want to make any changes?

Xuan: we did not discuss tax to the max—Don's revenue projections for & Ch. 70 are based on our taxing to the max.

Doug: Tax to the max is a moving part---we [FC] are firm on \$1.5M use of reserves.

Don: Does that include the use of E&D?

Doug: we want to hold to \$1.5M. Last year it was bumped up due to the collective bargaining costs adding \$2-300k. This is our recommendation which we are giving to the SC & includes E&D

Don: I think we need to have a discussion with the FC ---we have been consciously trying to replenish & now we are being told to use less.

Mary Ann: This is what we (FC) think we will circulate it as our point of view we have no purview on how others will think.

Kim: Is there a time for feed back? Is there an expectation that everyone will buy in?

Doug: we have put the POV on the table looking for feedback. We do not want to dictate but looking back at the numbers & from what we now know we will not have a "boring year"

Marty Ann: we welcome feedback but need to discuss specific reserve use at the next ALG meeting. The other area where the FC differs is the tax level and local revenues. We have agreed to be more conservative on our assessment of the state funding of Ch.70—we think it will be 7%

What we are assuming is a 2.5% decline in enrollment, and then anticipating cuts at the federal we just think we should be more conservative in our numbers.

Bart: so next meeting we will discuss reserves? ---general agreement

Kim: this will impact our Long Range Plan which we will be doing in Nov.

Pam: does the \$1.5M include the \$700k for OPEB?

Mary Ann: we are waiting for the OPEB report on the level of funding and how it is to be funded.

Bart: two things are different: FC's POV—Ch 70 less than 7%; and reserve use.

Kim: do you think the OPEB expenses will be the same as are on the chart. We were going to do an OPEB consensus on Nov.29th

4. Split Allocation

Prospective numbers (on last page) FY 13 35.8%/64.2%

Bart: this is the current split---what will it be this year?

Xuan: The needs of the priority budget for the schools need to be reflected in the split. I do not think the trend of the school's percentage will decrease.

Bart: will it go up or be stable?

Xuan: we are all trying to influence each other. The SC is not shooting for a 67%--rather we are looking at what we need to fund the priority projects. I cannot say the split per se should increase or remain. We have a multi-year priority program that we cannot abandon—it is funded by the split

Mary Ann: the FC sees everyone's budget & sees the pent-up demand to do projects. The FC would like to maintain it as is noting that it has crept up on the schools side.

Janet: whatever we agree to I can understand the trend to shift to AB---but the school population is declining. I don't know what the impact of this decline will be. On the Town side the population is increasing—we have a problem that the police department is undermanned...

Steve L: It's too early to discuss the split. I have not seen the budget requests from the department heads. We know there is a need to increase the police but we do not know what that will mean to the budget.

Pam: there is a pent up demand on the town side. Clearly getting new police is a benefit to the schools. There will be more areas of overlap as we move ahead. It is a hard shift to move the focus from the schools—we have got to meet the needs of the older population who are staying here.

Bart: is there anything else?

Doug: collective bargaining settlements were flagged at the time; are there any more coming along?

Steve L: three contract are being negotiated: police---3 years out; superior officers & highway

Doug: will there be an impact on FY 14 Ans: yes Doug: these are moving parts that need to be understood---last year it was ¼ M dollars.

Steve L: arbitration is up to FY 11. The unions have not ratified FY 12. The loss of the Quinn bill where the state paid 50% & we paid 50% is a sticking point.

Doug: If it's \$100k that's one thing but if it's \$1 M---that's something else

Kim: I can see where the police have value for the schools being proactive in campus. Perhaps we need to change our way of thinking---the schools also benefit the older community

Steve M: I'm not naive about school budgets. The split pits me against the town. We need to reflect on what happened in FY 12—OPEB; split; service; and reserves. All four groups have to be accounted but the revenues are the third rail. If we use only \$1.5M of reserves I'll still have a \$1 M problem. The school committee has told me to continue with the investment budget.

Mary Ann: WE need to wait for better information from Steve L. we have to talk about the school's share of Minuteman

Steve L: Minuteman is a mess, I will not even predict on what will happen there

5. FC's Long Rang Plan

Doug: we may see these as "boring years"---nothing is breaking down except Minuteman. We seem to be coming out of the worst recession but as we look to the future we see that the budgets are not sustainable. NESWC was \$6M is now \$1M NESWC & will essentially be gone; we have no stabilization fund; we have no common understanding of how reserves should be used. The reserves are money left over—we have no formal understanding of a back stop. We have built budgets that cannot be sustained by the tax levy. The Long Range plan looks OK now but I Think we are in for a lot of trouble in the future.

6. Regionalization

Xuan: Right now the committee has reached a consensus on: school board size now at 6 & 3 will change on 5 & 3; Acton's votes will be weighted;

Construction costs—Boxboro will have a 5% discount; elementary assessment will be based on population

3. There will be savings in administration, transportation but smaller Ch 70 aid. There will be \$600k/year in savings the split will be 65% Acton & 35% Boxboro

Next step will be a joint meeting with AB/APS—other outreach is a meeting hosted by the League of Women Voters on Nov.30.

Doug; Will there be any health care savings?

Xuan: there will be salary increases to match our; their employees will adopt our plan

Steve M: there was some thought of having the school committee 5 & 5. There was a demand to have the assessment split at 50-50; then Peter Ashton suggested 70/30 the vote was 65/35.

7. OPEB

Steve B: there has been one meeting where Mr. Noone was elected chair. We were going over the actual of the budgets & looking forward as to the amounts and sources. Free cash has been certified

Public: Mr. Kadlec suggested a simplification of getting rid of the debt, debt exclusion & debt service page.

Meeting adjourned at 9 AM

Next Meeting November 8th 7:30 AM

Ann Chang

Clear the Calendar

Preview the Revised AB Regionalization Agreement

7:30 PM

Tuesday October 30, 2012

Acton Town Hall – Room 204

Did you know:

- 1. Regionalization provides an opportunity to improve educational services**
- 2. The proposed regional agreement provides**
 - a cost savings split between towns**
 - a new school committee make-up**

The League of Women Voters invites you to attend a forum to review preliminary recommendations for the Regionalization Agreement between Acton and Boxborough grades Pre-K through grade 12.

This is your opportunity to provide your opinion. The final revised agreement will be voted on at Town Meeting.

DRAFT

TO: Acton Boxborough Regional School Committee
 Acton Public School Committee
 Boxborough Public School Committee
 FR: Xuan Kong, Maria Neyland and Kim McOsker
 DT: October 25, 2012
 RE: Regionalization

As the current chairs of the Acton-Boxborough, Boxborough and Acton Public School Committees, we would like to present the following for you to consider and adopt as a position statement on issues regarding potential expansion of the current regional district to include PreK-12 grades. The responses are not in any priority order. We thank the two superintendents for their valuable input.

1. Will there be a policy of accepting external funding to offset operating budget expenses (e.g. fundraising for classroom assistants)?

Currently the Boxborough School Committee has a specific policy prohibiting the use of external funding such as PTSOs to fund any personnel positions. The Acton Public School Committee, during the past two budget cycles, has relieved pressure on the PTSOs by adding approximately \$50,000 per school for this issue. Eventually, we hope to reconcile this issue.

2. Will all six elementary schools have a shortened day every Thursday?

We believe that a unified schedule is optimal. There are contractual issues that would need to be addressed and resolved in the negotiations process.

3. How will the start times of all six elementary schools be affected? Will the times change every year?

There has been a multi-tiered school bus transportation system in place for Acton Public for financial reasons. We believe that a unified schedule is optimal. Central Office is currently looking into the costs associated with increasing the number of buses to incorporate Boxborough into the bussing schedule. We are looking to our community members for input.

4. What about religious holidays?

We believe that the two currently existing districts will have the same calendar by the time of regionalization.

5. Should the Administration have authority to balance classes between towns? Should there be specific language regarding exceptions for special needs children? Should there be language to allow voluntary pre-kindergarten to grade 6 movement between towns? If parents choose to send their children to a school in the other town, will parents be responsible for transportation? If a Boxborough student goes to an Acton elementary school, will that student have equal rights to the lottery systems?

There are specific special education programs currently in the elementary schools. Special education students from the six elementary schools would need to attend special education programs located at the appropriate elementary school.

Regarding the assignment of regular education students to the elementary schools, as new families move into the communities, the Superintendent's staff assigns the new students to schools based on expressed preference of the family and available seating in the elementary schools. We would expect that process to continue with the six elementary schools. Students residing in the towns will always have the priority to attend a school in their town. For kindergarten enrollment, residents in their town will have first right of refusal to have their children attend the school in their town as well as sibling guarantee but the Superintendent's staff will have flexibility to balance classes in the six elementary schools. Transportation will be provided for all students.

6. How will A-B's Community Education and similar programs in Boxborough be merged and how will each town share in available funds?

Currently, there is a very robust and successful AB Community Education program. Many Boxborough residents currently avail themselves of AB Comm Ed's services. Boxborough has an Extended Day Program of their own. The Directors of the two programs would work together to establish the best way to move forward with Community Education/Extended Day Programming.

7. How will the Regional School Committee handle the distribution of current technology and equipment in each elementary school?

There is no plan now, or in the future, to redistribute current technology and equipment from any elementary school in either town.

8. If the Regional District owns each building, will this impact parent/community member accessibility related to the use of the buildings?

Parent and community members will maintain current levels of accessibility to these buildings. The Regional School District believes that all of our buildings are for community use after their educational missions are completed each day. Much

like the AB Regional High School has been used for emergency services during significant weather, we recognize that the Blanchard school is the emergency shelter for the town of Boxborough and in an emergency, will be made available as soon as practical by the Superintendent of schools.

9. What are the issues related to teaching staff employment?

It would be our vision that there would be one employment contract for teachers of the six elementary schools, the Junior High and the High School.

10. How would OPEB be handled to insure consistency in funding between the member entities and the proposed new preK-12 Region?

The current Acton-Boxborough Regional School District has an OPEB line item in its budget. If Acton and Boxborough School Districts were to become a part of ABRSD, it would be assumed that Acton and Boxborough taxpayers would pay their proportionate amount of the Regional School District OPEB assessment similar to all other accounts in the Regional School District Budget.

Acton Public Schools
Acton-Boxborough Regional School District
 16 Charter Road, Acton, MA 01720
 978-264-3306 <http://ab.mec.edu/>

Boxborough Public School District
 493 Massachusetts Avenue, Boxborough, MA 01719
 978-263-4569 <http://www.boxboroughschool.org/>

October 11, 2012

Senator James Eldridge
 State House, Room 413A
 Boston, MA 02133
James.Eldridge@masenate.gov

Dear Senator Eldridge,

On behalf of the Acton Public School Committee, the Boxborough Public School Committee, and the Acton-Boxborough Regional School Committee, we respectfully request that you look into all possible legislative options to provide positive financial support to the towns of Acton and Boxborough in their effort to regionalize their schools into a single preK-12 regional school district.


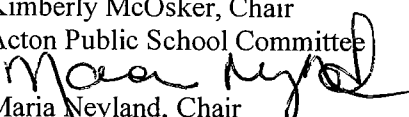
At their respective annual town meetings this past spring, Acton and Boxborough town meeting participants voted affirmatively that the Acton-Boxborough Regional School Committee direct the Acton-Boxborough Regional School District Study Committee to draft a regional agreement between Acton and Boxborough that would include grades pre-kindergarten through 12 for approval at 2013 town meetings.

Roger Hatch, DESE School Finance Program Director, recently attended a Regional School District Study Committee meeting and informed the group that the new expanded region would lose nearly \$150,000 in Chapter 70 money based on today's dollars and current reimbursement. Some committee members had questioned the financial viability of the expanded region and doubted the fate of regionalization votes at special town meetings.

With all that our state leaders are doing to promote regionalization in all areas of municipalities including schools, we believe that legislation and regulations must be updated to provide a long-term financial incentive, not a penalty, for towns that engage in a regionalization effort.

We appreciate very much your past strong support of public education in Acton and Boxborough. We urge you to use your considerable influence to help with this issue. Please let us know if you need additional information.

Sincerely yours,


 Kimberly McOsker, Chair
 Acton Public School Committee

 Maria Neyland, Chair
 Boxborough Public School Committee

Xuan Kong, Chair 
 Acton-Boxborough Regional School Committee

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October 11, 2012

Representative Jennifer Benson
State House, Room 544
Boston, MA 02133
Jennifer.Benson@MAHouse.gov

Dear Representative Benson,

On behalf of the Acton Public School Committee, the Boxborough Public School Committee, and the Acton-Boxborough Regional School Committee, we respectfully request that you look into all possible legislative options to provide positive financial support to the towns of Acton and Boxborough in their effort to regionalize their schools into a single preK-12 regional school district.


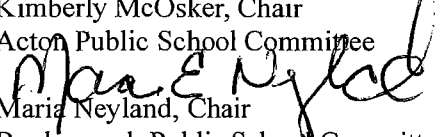
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October 11, 2012

Representative Cory Atkins
State House, Room 166
Boston, MA 02133
Cory.Atkins@mahouse.gov

Dear Representative Atkins,

On behalf of the Acton Public School Committee, the Boxborough Public School Committee, and the Acton-Boxborough Regional School Committee, we respectfully request that you look into all possible legislative options to provide positive financial support to the towns of Acton and Boxborough in their effort to regionalize their schools into a single preK-12 regional school district.

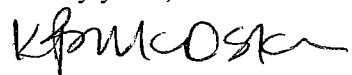
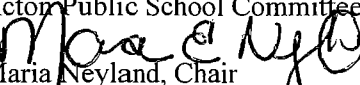
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Roger Hatch, DESE School Finance Program Director, recently attended a Regional School District Study Committee meeting and informed the group that the new expanded region would lose nearly \$150,000 in Chapter 70 money based on today's dollars and current reimbursement. Some committee members had questioned the financial viability of the expanded region and doubted the fate of regionalization votes at special town meetings.

With all that our state leaders are doing to promote regionalization in all areas of municipalities including schools, we believe that legislation and regulations must be updated to provide a long-term financial incentive, not a penalty, for towns that engage in a regionalization effort.

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Sincerely yours,


Kimberly McOsker, Chair
Acton Public School Committee

Maria Neyland, Chair
Boxborough Public School Committee

Xuan Kong, Chair 
Acton-Boxborough Regional School Committee

Frequently Asked Questions about Expansion of Current AB District to Include Prek-6 Grades

Acton-Boxborough Regional School District Study Committee
October 30, 2012

Why are we having a discussion on regionalization?

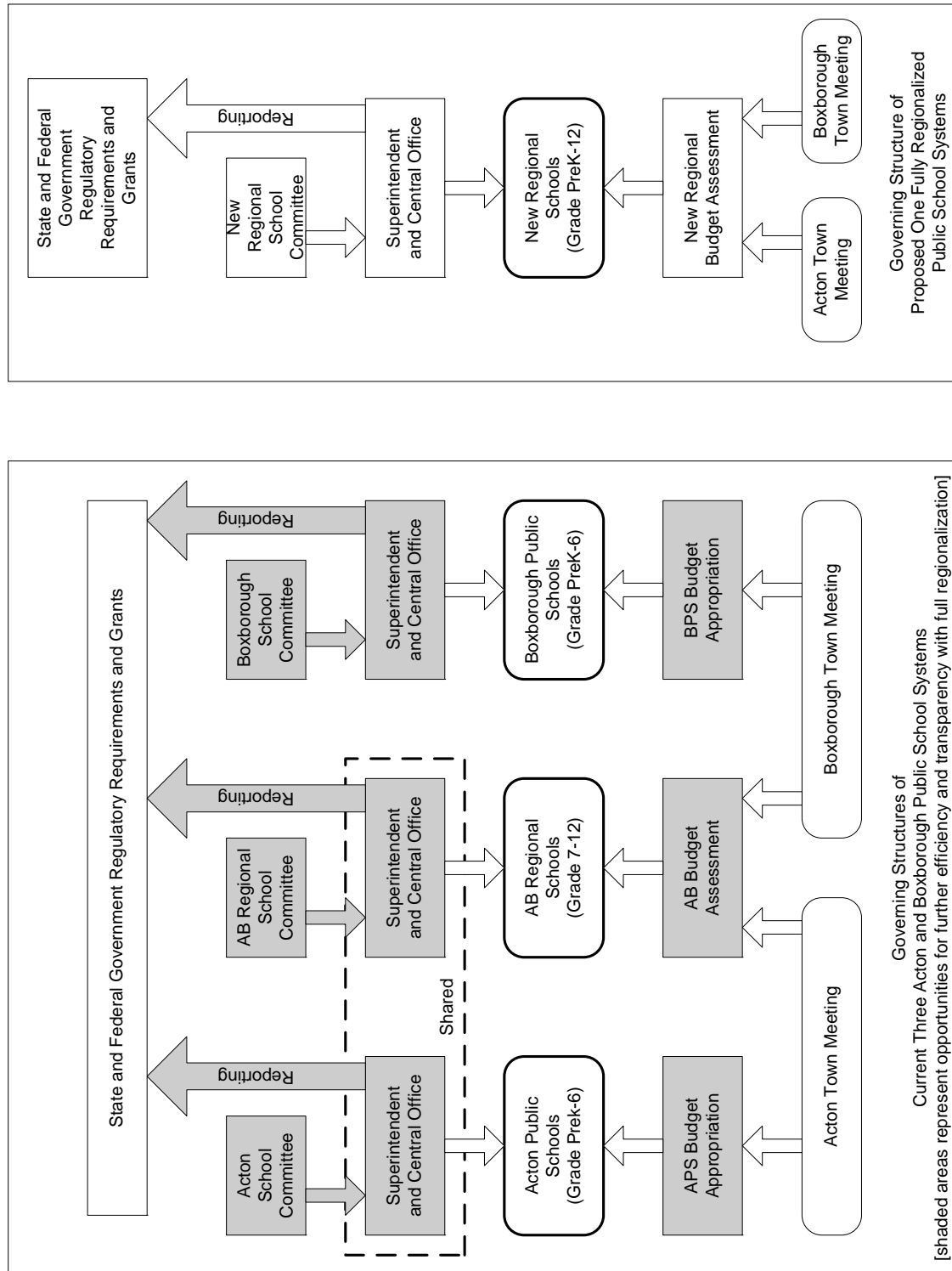
Currently, the towns of Acton and Boxborough have three separate school districts. Elementary school-aged children of each town go to either Acton or Boxborough Public Schools while all students attend the Acton-Boxborough Regional Schools for grades 7 through 12. Combining three school districts into one has many educational, operational, and financial benefits.

At their respective 2012 annual town meetings, Acton and Boxborough town meeting participants voted affirmatively that a regional agreement between Acton and Boxborough should be drafted so that the current Acton-Boxborough Regional School District includes grades pre-kindergarten through twelve. The draft agreement must be approved by both towns in the spring of 2013 in order for it to take effect on July 1, 2014.

The Regional School District Study Committee (RSDSC), with representatives from both Acton and Boxborough, has reached a consensus on a new regionalization agreement framework. All three School Committees have also agreed to the framework. The RSDSC is currently conducting public outreach to inform residents about the new agreement framework and to receive feedback from the public.

What are the governing structures of the current public schools in Acton and Boxborough?

The organization chart on the next page provides an overview of the three school districts currently serving the students of Acton and Boxborough. There are three duplicative administrative structures and three distinct budgets (shaded boxes). To the right of the chart would be the structure of a fully regionalized school district. The Acton Public School and Acton-Boxborough Regional School districts are already sharing a superintendent and central office staff. We estimate that further administrative cost savings can be achieved with a fully regionalized school district serving preK-12 students.



An Overview of Current and Proposed Acton and Boxborough Public School System Governance Structures

What are the educational benefits of a fully regionalized school district?

The Regional School District Study Committee interviewed and discussed this question with the academic stakeholders (teachers, staff, parents, administrators). Major benefits include:

- Ability to share resources. This was highlighted as a distinct advantage of a fully regionalized district for improving the learning experience of our students. An expanded region allows for a more unified administration and service delivery program for special education and other specialized programs. As an example, both Acton and Boxborough saw a significant demand increase in their preschool special education services during school year 2011-2012. The Acton Public School system lacked classroom resources so it had to collaborate with a private not-for-profit organization to obtain additional classroom space. Blanchard Memorial Elementary School would have been an ideal educational setting for Acton students if we had been fully regionalized.
- Enrichment and technology services, including economies of scale in purchasing. The economies of scale, provided by regionalization, may enhance opportunities for such enrichment services as after-school athletics and physical activities, music, art, performing arts, world languages, and artists-in-residence. A fully regionalized school district will also allow more systematic planning for deploying classroom technology for students from both towns.
- Teacher mentoring and professional development programs. The already joint collaboration on curriculum (Writing and Cathy Richardson program) by Acton and Boxborough elementary school systems would be enhanced by the wider opportunities offered for professional development with full regionalization. It would also create more opportunities for instructional and administrative personnel to collaborate across grade levels among elementary, junior high, and senior high schools. Furthermore, each district has strengths in different areas of curriculum implementation, instruction, and assessment and we can benefit from each other's success in a more timely and effective manner with regionalization.
- Community engagement. This will be enhanced by the very nature that our community size, talents, and resources will expand for both districts. For example, seven years ago, Acton began inviting Blanchard 4th graders to the annual PIP sponsored Star Party. Each district's parent involvement organizations and community industries (Cisco-elementary school-business partnership for science) will become available to the other. This, in turn, enriches the curriculum for all students.

Will there be a guarantee that all elementary school students can attend an elementary school in his/her hometown?

Only the future School Committee has authority in determining this matter. However, the three existing School Committees have drafted a position statement giving students the priority to attend a school in their hometown. For kindergarten enrollment, residents in their town will have first right of refusal to have their children attend the school in their town as well as sibling guarantee but the Superintendent's staff will have flexibility to balance classes in the six elementary schools. Transportation will be provided for all students.

What will be the makeup of the Regional School Committee?

Ensuring a voice for each community is critical to the success of regionalization. Currently, each town has its own School Committee to govern its elementary school(s); junior high and senior high schools are governed by a regional school committee, consisting of 6 Acton members and 3 Boxborough members. Because Acton's population is roughly four times that of Boxborough (21,924 versus 4,996, per 2010 federal census), a vote from each of six Acton members on the regional school committee is counted as two versus one from each of the three Boxborough members on the committee, following the "one man, one vote" principle enunciated by the U.S. Supreme Court decision.

The new Regional School Committee will consist of 5 Acton members and 3 Boxborough members. Each Acton member holds 2.4 votes and each Boxborough member will cast one vote to conform to the "one man, one vote" requirement. While the new committee makeup allows Acton to retain its "voting power," it gives the Boxborough community a greater "persuasion power" on the Regional School Committee than the current 6-3 membership makeup.

What are the operational benefits of a fully regionalized school district?

A fully regionalized school district will simplify governance and administrative structures. Reduced administrative burden allows district leadership to focus more on delivering better services to students by

- ◆ streamlining operations and organizations
- ◆ improving parent-guardian interaction with schools
- ◆ creating more coherent learning experience for students

A single district will also allow more transparent financial reporting and management for both towns.

What are the financial benefits of a fully regionalized school district?

A fully regionalized school district will benefit from operational efficiency, cost-savings initiatives, and additional state reimbursement of transportation. "Future Baseline Cost" refers to

the sum of the total budgets of the three school districts as if they are operating independently of each other like today. “Financial Benefit” is the difference between the projected budget of a fully regionalized school district and the future baseline cost. The estimated dollar amount of financial benefits is about \$600K per year for the next five years.

What is the regional school transportation reimbursement?

Regional school districts are reimbursed by state appropriations for a portion of their transportation expenses. For school year 2012-13, the Acton-Boxborough Regional School District is expected to spend \$1.3M on regular student transportation and to receive \$600K reimbursement from the state to offset that expense. (See Table 6 in the Regional School budget book.) The Acton Public School and Boxborough Public School districts do not currently receive this reimbursement. We estimate that a fully regionalized school district would receive an additional \$500K per year in transportation reimbursement from the state.

What are assumptions for estimating future financial benefits?

Removing administrative structure redundancy will save about \$150K annually. A fully regionalized school district will also receive \$500K state reimbursement for K-6 student transportation costs which currently are not eligible for reimbursement. Teaching staff salary and health insurance benefits will decrease slightly (~\$20K) if the Boxborough staff is placed onto the current Acton-Boxborough regional district salary scale. Finally, Chapter 70 aid (state education funding) will be reduced by about \$148K due to how demographics of both towns are used differently in the Chapter 70 formula to determine the state education aid to fully regionalized districts. However, a regionalization bonus aid will offset the Chapter 70 loss by about 80K on average for the first five years.

How will the financial benefits be shared by the two towns?

The plan is to allocate 65% of the benefits to Acton and 35% to Boxborough over the first five years. The exact allocation percentages may vary in each year with Acton having a higher percentage in the first year and a lower percentage in the fifth year. No matter how the sliding scale is implemented, the average over the five-year period will be 65% Acton versus 35% Boxborough. Future budget of the full regionalized district will be allocated to the two towns based solely on the three-year rolling enrollment average; effectively the two towns will share the financial benefits proportional to their PreK-12 student population.

What about the ownership of school buildings?

A fully regionalized district will own all school buildings. Currently, elementary school buildings are owned by either the town of Acton or Boxborough, depending upon the building location. Junior and Senior High School buildings belong to the regional school district.

How about access to school buildings by community members?

Parent and community members will maintain current levels of accessibility to school buildings, according to a draft position statement adopted by all three existing School Committees. In particular, they recognize that the Blanchard school is the emergency shelter for the town of Boxborough and in an emergency, will be made available as soon as practical by the Superintendent of Schools.

What is the formula for allocating the costs of running a fully regionalized district?

All costs will be allocated to the two towns based solely on the three-year rolling enrollment average, with the exception that Boxborough receives a 5% discount on any construction cost related to school facilities related to grade 7-12.

What are the timeline and milestones for establishing a fully regionalized school district?

The Regional School District Study Committee will continue its public outreach to hear feedback from the school committees as well as various other stakeholders including all parents and taxpayers. Based on that feedback, the committee would hope to finalize the new agreement that would be brought to both town meetings in the spring of 2013. As one may imagine, this is an extremely time-consuming and difficult process which is why the committee sought a sense of town meeting vote from both communities before proceeding ahead with such negotiations.

A possible timeline and a list of milestones of this regionalization process:

[2012 Fall/Winter]: Tentative agreement for input from public and elected/appointed town boards and committees

[2013 January]: Finalize regional agreement and submit to the Department of Elementary and Secondary Education for review

[2013 January-April]: Public outreach and town meeting approval

[2013 April 29th]: Special Town Meetings to vote on new regionalization agreement

[If both towns vote affirmatively to accept the regional agreement as presented]

[2013 May/June]: Submit the new regional agreement to DESE for Commissioner's approval

[2013 Spring/Summer]: Form transitional school committee for new regional district. Three existing school committees continue to run the three existing districts.

[2013 Fall/Winter]: Transitional Regional School Committee prepares FY2015 budget for town meeting approval, develops policy, negotiates union contract, and hires superintendent (if necessary).

[2014 Spring]: Elect regular members for new regional district school committee.

[2014 Spring TM]: Regional School Committee presents FY2015 budgets to town meetings.

[2014 July 1st]: New regional school district becomes operational for FY2015 and other two local school districts will cease operation at the end of FY2014.

**A) PROPOSED SCHOOL CALENDAR, 2013-2014 (START BEFORE LABOR DAY, MARCH PD DAY)
(possible)**
Bold Underlined Dates = No School Days

Aug. M T W T F
Sept. 26 27 28 29 **30**
2 3 4 5 6
9 10 11 12 13
16 17 18 19 20
23 24 25 26 27
30

Jan. M T W T F
6 7 8 9 10
13 14 15 16 17
20 21 22 23 24
27 28 29 30 31

Schools Open - Jan. 2
JH AND HS Early Dis. -
Martin Luther King Day - Jan. 20
Kindergarten Change-over - Jan. 21
School Days - 21

Oct. M T W T F
1 2 3 4
7 8 9 10 11
14 15 16 17 18
21 22 23 24 25
28 29 30 31

Feb. M T W T F
3 4 5 6 7
10 11 12 13 14
17 18 19 20 21
24 25 26 27 28

JH AND HS Late Start -
Presidents' Day - Feb. 17
Winter Recess - Feb. 17-21
School Days - 15

Nov. M T W T F
4 **5** 6 7 8
11 12 13 14 15
18 19 20 21 22
25 26 27 **28 29**

JH AND HS Late Start -
Prof. Day - Mar 25 (no school/students)
School Days - 20

Dec. M T W T F
2 3 4 5 6
9 10 11 12 13
16 17 18 19 20
23 **24 25 26 27**
30 31

Spring Recess - April 21-25
Patriots Day - April 21
School Days - 17

Jr. High. Early Dis -
Winter Recess - Dec. 24 - Jan. 1
School Days - 16

Apr. M T W T F
1 2 3 4
7 8 9 10 11
14 15 16 17 18
21 22 23 24 25
28 29 30

No School and Delayed Opening Announcements air on: <http://ab.mec.edu>,
TV Channels 4, 5, and 7 and radio stations WBZ and WEIM

Memorial Day - May 26
School Days - 21

Monthly School Committee Meetings are held:

Acton-Boxborough Regional - 1st Thursday, Jr High Library - 7:30 PM;
APS Elementary Schools - 3rd Thursday, Jr High Library - 7:00 PM. See
<http://ab.mec.edu/about/meetings.shtml> for more information.

May M T W T F
5 6 7 8 9
12 13 14 15 16
19 20 21 22 23
26 27 28 29 30

Graduation - June 6
Last day - June 11 - 18
(depending on snow days)
School Days - 8
Total Days = 180 - 185

(possible)

Bold Underlined Dates = No School Days

Aug.	M	T	W	T	F	Labor Day – Sept. 2	Schools Open - Jan. 2
Sept.	26	27	28	29	30	Teachers' mtg. – Sep. 3 Schools Open – Sep. 4 HS Late Start - School Days - 19	JH AND HS Early Dis. - Martin Luther King Day - Jan. 20 Kindergarten Change-over - Jan. 21 School Days - 21
	2	3	4	5	6		
	9	10	11	12	13		
	16	17	18	19	20		
	23	24	25	26	27		
	30						
Oct.	M	T	W	T	F	Columbus Day - Oct. 7 Elem Early Dismissal - School Days - 22	JH AND HS Late Start - Presidents' Day - Feb. 17 Winter Recess - Feb. 17-21 School Days - 15
	1	2	3	4			
	7	8	9	10	11		
	14	15	16	17	18		
	21	22	23	24	25		
	28	29	30	31			
Nov.	M	T	W	T	F	Prof. Day - Nov. 5 (no school/students) Elem Early Dismissal - Veterans Day - Nov. 11 Half Day - Nov. 27 Thanksgiving Recess - Nov. 28-29 School Days - 17	JH AND HS Late Start - Prof. Day - Mar 25 (no school/students) School Days - 20
	4	5	6	7	8		
	11	12	13	14	15		
	18	19	20	21	22		
	25	26	27	28	29		
Dec.	M	T	W	T	F	Jr. High. Early Dis - Winter Recess - Dec. 24 - Jan. 1 School Days - 16	Spring Recess - April 21-25 Patriots Day – April 21 School Days - 17
	2	3	4	5	6		
	9	10	11	12	13		
	16	17	18	19	20		
	23	24	25	26	27		
	30	31					
<hr/>							
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June	M	T	W	T	F	Graduation -- June 6 Last day -- June 17 - 24 (depending on snow days)	Total Days = 180 - 185
	2	3	4	5	6		
	9	10	11	12	13		
	16	17	18	19	20		
	23	24	25	26	27		

No School and Delayed Opening Announcements air on: <http://ab.mec.edu>, TV Channels 4, 5, and 7 and radio stations WBZ and WEIM

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Action-Boxborough Regional -1st Thursday - Jr High Library - 7:30 PM;
APS Elementary Schools - 3rd Thursday, Jr High Library - 7:00 PM. See
<http://ab.mec.edu/about/meetings.shtml> for more information.

Goal #1: Refine learning goals and continue identification of common assessments to gauge student learning
Relevance to LRSP: Goal #2
Statement of Purpose: The Districts are committed to preparing students by providing them with the knowledge, and intellectual and reflective skills they will need to thrive in an increasingly complex world.
Strategies: <ol style="list-style-type: none"> 1. APS K-6 ELA and Literacy Task Force to examine and modify criteria of learning goals for vertical alignment 2. Reflect on learning goals and criteria in ELA, social studies and science as the new MA Frameworks are implemented; make changes where needed 3. Reflect on learning goals and criteria in mathematics as new MA mathematics Frameworks are implemented; make changes where needed 4. Use feedback from Principals, Directors and Department Leaders to determine next steps towards supporting educators' use of learning goals and common assessments 5. Identify Literacy assessments used at APS according to learning goals
Measurable Outcomes: <ol style="list-style-type: none"> 1. Learning goals for all regional disciplines (except for electives) completed 2. Learning goals for elementary ELA and Literacy and mathematics completed 3. All learning goals posted on District website 4. APS student growth in reading documented through Benchmark Assessments
Timeline (Dates tasks will be completed): By June 2013
Lead Parties: Superintendent, Director of Curriculum and Assessment
Progress Report (February)
Progress Report (June)

Goal #2: Pupil Services - Program Development and Fiscal Accountability
Relevance to LRSP: Goal #1, #5
Statement of Purpose: To continue to enhance special education programs and service delivery through program review and analysis that will inform both short and long term strategic improvement planning and achieve efficiency and transparency
Strategies: <ol style="list-style-type: none"> 1. To contract with Futures Education, an external auditing agency to examine practices in Special Education and determine effectiveness and efficiency 2. Futures Education will examine and audit four areas of Special Education: <ul style="list-style-type: none"> • Transportation services • Related services (speech and language, occupational, and physical therapies) • Assignment and utilization of para professional personnel • Counseling and psychological services
Measurable Outcomes: <ol style="list-style-type: none"> 1. Assure fiscal efficiency in the delivery of all Special Education services 2. Identify \$150,000 of efficiency in the Regional School District 3. Spend that \$150,000 to build out a much needed Special Education program at the High School to be included in the FY14 budget
Timeline (Dates tasks will be completed): Regional School District - Nov/Dec 2012 APS - Mar/April 2013
Lead Parties: Superintendent, Director of Pupil Services,
Progress Report (February)
Progress Report (June)

Goal #3: Review and Refine the District's Financial Plan to Meet Federal, State and local funding sources, while supporting the districts' education needs.
Relevance to LRSP: Goal #5

Statement of Purpose: The community places a high value on the preservation of an excellent education for its students and highly involved citizenry. In light of the current economic picture, identifying new sources of revenue, reviewing personnel needs and costs, as well as actively engaging in community forums and discussions will be required to manage a challenging era for our school systems.

Strategies:

1. Define budget assumptions for FY14. Prepare budget calendar.
2. Identify specific FY14 budget projections.
3. Re-evaluate school choice opportunities.
4. Continue an active partnership with the Acton Leadership Group (ALG) and the Boxborough Leadership Forum (BLF).
5. Facilitate a process that seeks input from the community, district staff and faculty, Board of Selectmen, and the Finance Committees of Acton and Boxborough.
6. Identify long-range needs and develop a rational capital management program.
7. Monitor and evaluate use of reserves, Chapter 70 and special revenue funds

Measurable Outcomes:

1. Prioritize personnel needs and costs as well as curriculum/program needs.
2. Visit each school to learn how to maximize dollars in order to meet instructional goals.
3. Prepare balanced budgets for approval by both town meetings that promote instructional goals.
4. Perform quarterly reviews of budget status throughout the fiscal year.
5. Prepare a five year review of APS and ABRSD spending; and then a five year projection of spending –with information that can assist long-term financial planning for both Acton and Boxborough.
6. Review and prepare for both school committees a presentation of the status and amount of all special revenue accounts.
7. Integrate the new financial analyst into the Finance staff; continue to review all staff responsibilities throughout the fiscal year.

Timeline (Dates tasks will be completed):

Ongoing through the fiscal year

Lead Parties:

Superintendent, Director of Finance

Progress Report (February)
Progress Report (June)

Goal #4A: Pilot new educator evaluation system in preparation for full implementation September 2013
Relevance to LRSP: Goal #3

Statement of Purpose: To prepare the districts for full implementation of Massachusetts Educator Evaluation in Fall 2013, a pilot implementation will be carried out by evaluating 40% of APS/AB teachers in academic year 2012 -13. This experience and feedback gained through this pilot will allow an effective full implementation with all teachers in September 2013.

Strategies:

1. Continue work with Educator Evaluation task force for pilot and full implementation.
2. Develop and facilitate in depth trainings for evaluators and teachers for each phase of the process including Summer 2012 Leadership Conference, October late starts and November PD Day.
3. Gather feedback from evaluators and teachers in March and April to refine full implementation strategies and processes.
4. Facilitate negotiation of contract language changes for full implementation of teacher evaluation.
5. Explore, purchase, and implement software tool to maintain documents related to teacher evaluation

Measurable Outcomes:

1. Successfully train evaluators and teachers so that educators are able to set goals and evaluators are completing a minimum of seven observations, follow up conversations and written summary for all teachers in pilot.
2. Evaluators will complete summative evaluations by March 31, 2013.
3. Full implementation plan will be developed and refined based on feedback from evaluators and teachers.
4. Technology solution will be implemented by November 30 that will help support evaluators and teachers in maintaining forms and all communication related to evaluation.
5. Successfully negotiate new contract language for full implementation of new educator evaluation system.

Timeline (Dates tasks will be completed):

By August 2013

Lead Parties:

Superintendent, Director of Personnel, Director of Curriculum and Assessment

Progress Report (February)
Progress Report (June)

Goal #4B: Support School Committee in negotiation of employee contracts
Relevance to LRSP: Goal #3
Statement of Purpose: Negotiate contract language for September 2013 full implementation.
Strategies: <ol style="list-style-type: none"> 1. Work with School Committee negotiations subcommittee to meet Committee's goals by negotiating new contracts with AEA, OSA and AFSCME. 2. Facilitate School Committee interviews and selection of labor counsel that is high quality and cost effective.
Measurable Outcomes: <ol style="list-style-type: none"> 1. Labor counsel will be selected and an agreement made by September 15, 2012. 2. Follow on agreements that will fit into existing budgetary constraints will be completed with AEA, OSA and AFSCME prior to the expiration of current agreements.
Timeline (Dates tasks will be completed): By August 2013
Lead Parties: Superintendent, Director of Personnel, Director of Curriculum and Assessment
Progress Report (February)
Progress Report (June)

Goal #5: Create a teaching and learning environment in which all students use information, technology, and communication tools in sophisticated ways to enhance learning**Relevance to LRSP: Goal #4**

Statement of Purpose: The district recognizes that learning powered by technology can help to transform education by supporting the delivery of engaging and meaningful learning experiences to our students. Consequently, the Educational Technology Department supports this message by striving to build a community culture that embraces innovation and collaboration within our rigorous teaching and learning environment.

Strategies:

Create ABSchools (Google Apps for Education) to provide our entire learning community with a common online communication, collaboration, and creativity platform. Access to ABSchools offers equitable access to powerful sharing tools, such as Email, online calendars, documents, and dedicated websites.

Measurable Outcomes:

1. 100% of staff will utilize ABSchools
2. 100% of Acton-Boxborough students will have access to ABSchools

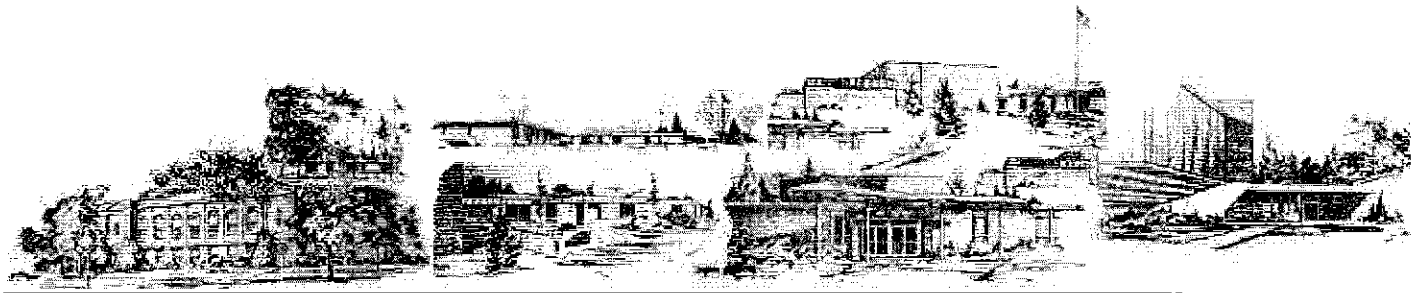
Timeline (Dates tasks will be completed):

By June 2013

Lead Parties:

Director of Technology

Progress Report (February)**Progress Report (June)**



Acton Public Schools ☞ Acton-Boxborough Regional School District
16 Charter Road Acton, MA 01720 Phone: 978-264-4700 Ext. 3205 Fax: 978-264-3340
E-mail: daicardi@mail.ab.mec.edu

Donald Aicardi
Finance Director

TO: Superintendent Stephen Mills
FROM: Don Aicardi, Director of Finance
RE: FY13 Status Report-1st Quarter
DATE: November 1, 2012

A. Summary

I am happy to report that the Acton-Boxborough School District ended the first quarter of Fiscal Year 2013 with a \$151,107 projected year end fund balance.

B. Review of FY13 Budget-Highlights

I would like to highlight the most interesting observations for the regional school committee:

1. Salaries, Teaching. (\$+49.6K) First quarter projections for teachers are notoriously unreliable due to the lack of "real payrolls" to base projections on in addition to corrections that occur at the beginning of the fiscal year. I anticipate that this surplus number is low and will continue to grow as we progress throughout the fiscal year. It is important to note that there was \$100,000 in 'anticipated vacancy factor' savings applied to this account before the school year began; so far, that decision has broken our way.

2. Athletic Revolving Expenses (\$+10k)

Actual athletic expenses straddle two completely different financial entities: special revenue accounts related to athletics and the ABRSD general fund. At the end of last fiscal year, I became aware that, based on the current level of spending, there were not sufficient special revenue funds to cover all expenses. Due to that fact we were forced to reclass expenses at the very close of FY12 from that revolving fund into the ABRSD general fund.

Due to the complexity of the athletic budget, we have prepared a specific document to track all athletics spending. We will continue to monitor the expenses in the athletic revolving fund closely throughout the rest of the fiscal year. In the event that the current level of spending on athletics cannot be supported by the current revenue, we will have to carefully weigh several options: reducing expenses, re-examine the amount raised privately to support athletics, add capacity to the upcoming FY14 budget, or increase athletic fees.

2. Fringes, Health Insurance (\$+87.2k) The FY13 ABRSD health insurance budget was completed in time to assimilate all of the changes from the municipal health insurance reform that were so well chronicled all of last year. To date, this small surplus stems from normal health insurance migration savings as employees switched post open enrollment last May, plus savings from the timing of new hires. We will continue to evaluate the amount of employees actually charging to health insurance versus the assumptions used last spring.

3. Fringes, Unemployment (\$28.5K) and Fringes, Worker's Compensation (\$-36.7K) Due to the unpredictable nature of unemployment compensation, the FY13 Unemployment Compensation budget was slightly increased. Right now, the first quarter estimate shows that there will be surplus at year end. On the other hand, for the second year in a row, the Workers Compensation number has proven to be problematic, showing an estimate of a \$36k deficit at year end. This annual assessment, paid early in the fiscal year, even after factoring in adjustments and credits for participation in MIIA (Massachusetts Interlocal Insurance Association), paying early, and other rewards/credits for history, has exceeded the budget for the second year in the row. We will be examining this account closely for the upcoming fiscal year.

4. Other, Debt Service (+\$133.2K) This projected year end surplus is based entirely on lower than anticipated debt service (principal & interest) expenses related to the new Lower Fields project. The budget related to the Lower Fields project migrated from an assumed "one-time only" amount in FY13 expense to the need to actually issue debt for that project over the course of the FY13 budget deliberations. When the financial plan projected expenses for debt service for Lower Fields last spring, it assumed that principal and interest expenses would begin in FY13. In actuality, once the debt was issued in late summer, the final debt service schedule for the Lower Fields for FY13 included only interest this fiscal year; the first principal payment will be made beginning one year later in FY14.

C. Conclusion. I am happy to answer any questions that you might have. Thank you.

ACTON/BOXBORO REGIONAL PUBLIC SCHOOLS FY13 BUDGET STATUS REPORT

	FY13 Budget Original	FY13 Budget Adjustments	FY13 Budget Current	FY13 Year End Projected Expenses	% Committed	FY13 Year End Projected Balance
Salaries, Teaching 01	\$16,848,363	(\$8,860)	\$16,839,503	\$16,789,868	99.7%	\$49,635
Salaries, Principals 02	\$779,757	\$0	\$779,757	\$768,299	98.5%	\$11,458
Salaries, Central Administration 03	\$512,387	\$0	\$512,387	\$511,400	99.8%	\$987
Salaries, Support Staff 04	\$3,198,994	\$0	\$3,198,994	\$3,226,519	100.9%	(\$27,525)
Salaries, Athletics 05	\$461,749	\$0	\$461,749	\$451,588	97.8%	\$10,161
Salaries, Buildings 06	\$359,280	\$0	\$359,280	\$367,597	102.3%	(\$8,317)
Salaries, Custodial 07	\$834,397	\$0	\$834,397	\$805,795	96.6%	\$28,602
Salaries, Home Instruction 08	\$16,000	\$0	\$16,000	\$16,000	100.0%	\$0
Salaries, Substitute 09	\$273,822	\$0	\$273,822	\$276,808	101.1%	(\$2,986)
Fringes, Course Reimbursement 10	\$28,000	\$0	\$28,000	\$28,000	100.0%	\$0
Fringes, Health Insurance 11	\$4,464,834	\$0	\$4,464,834	\$4,377,596	98.0%	\$87,238
Fringes, Other Ins 12	\$21,460	\$0	\$21,460	\$21,460	100.0%	\$0
Fringes, Unemployment 13	\$40,000	\$0	\$40,000	\$11,424	28.6%	\$28,576
Fringes, Workers Comp 14	\$90,000	\$0	\$90,000	\$126,798	140.9%	(\$36,798)
Fringes, Pensionis 15	\$968,434	\$0	\$968,434	\$968,434	100.0%	\$0
Instructional Supplies 16	\$262,740	\$0	\$262,740	\$265,080	100.9%	(\$2,340)
Instructional Textbooks 17	\$178,718	\$0	\$178,718	\$182,420	102.1%	(\$3,702)
Instructional, Library 18	\$29,724	\$0	\$29,724	\$29,724	100.0%	\$0
Other, Capital Outlay 19	\$317,107	\$0	\$317,107	\$343,274	108.3%	(\$26,167)
Other, Prop/Casualty 22	\$35,000	\$0	\$35,000	\$35,000	100.0%	\$0
Other, Maintenance Buildings 23	\$335,970	\$0	\$335,970	\$340,720	101.4%	(\$4,750)
Other, Maintenance Outlays 24	\$197,542	\$0	\$197,542	\$212,381	107.5%	(\$14,839)
Other, Legal Service 26	\$80,000	\$0	\$80,000	\$80,000	100.0%	\$0
Other, Admin Supplies 27	\$571,949	\$8,860	\$580,809	\$631,753	108.8%	(\$50,944)
Other, Athletic Support 28	\$59,913	\$0	\$59,913	\$61,611	102.8%	(\$1,698)
Other, Custodial Support 29	\$72,409	\$0	\$72,409	\$72,409	100.0%	\$0
Other, Sped Transportation 30	\$865,301	\$0	\$865,301	\$860,363	99.4%	\$4,938
Other, Student Transportation 31	\$559,055	\$0	\$559,055	\$576,468	103.1%	(\$17,413)
Other, Travel 32	\$25,863	\$0	\$25,863	\$26,572	102.7%	(\$709)
Other, Sped Tuition 33	\$3,123,826	\$0	\$3,123,826	\$3,125,686	100.1%	(\$1,860)
Other, Utilities 34	\$1,242,738	\$0	\$1,242,738	\$1,242,922	100.0%	(\$184)
Other, Sewer 35	\$218,300	\$0	\$218,300	\$221,801	101.6%	(\$3,501)
Other, Debt Service 21	\$2,041,172	\$0	\$2,041,172	\$1,907,928	93.5%	\$133,244
GRAND TOTAL	\$39,114,804	\$0	\$39,114,804	\$38,963,697	99.6%	\$151,107

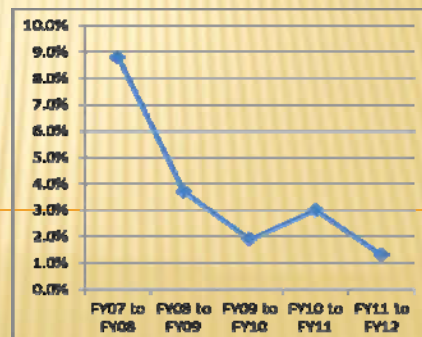
ACTON-BOXBOROUGH REGIONAL SCHOOL DISTRICT LONG RANGE FINANCIAL MODEL FY14 TO FY18

Don Aicardi, Finance Director
November 1, 2012

ABRSD HISTORICAL SPENDING REVIEW

What has been the annual rate of increase in actual spending, with outside funding sources included?

FY07 to FY08	8.8%
FY08 to FY09	3.7%
FY09 to FY10	1.9%
FY10 to FY11	3.0%
FY11 to FY12	1.3%



ABRSD LONG RANGE FINANCIAL MODEL

Using FY07 As The Base,
Appropriated Budgets Have Increased on
Average from FY08 to FY13 **by 3.3%**

And

Using FY10 As The Base,
Appropriated Budgets Have Increased on
Average from FY10 to FY13 **by 2.0%**

3

ABRSD LONG RANGE FINANCIAL MODEL

What was the annual rate of increase
in the appropriated budgets?

FY07 to FY08	8.4%
FY08 to FY09	4.8%
FY09 to FY10	0.5%
FY10 to FY11	3.72%
FY11 to FY12	0.7%
FY12 to FY13	1.6%



4

ABRSD LONG RANGE FINANCIAL MODEL

Number of Students (Acton & Boxborough
without Choice or Staff Students)

FY	Junior High	Senior High	Incr/(Decr)
FY14	913	1,929	(25)
FY15	891	1,856	(95)
FY16	865	1,854	(28)
FY17	890	1,809	(20)
FY18	890	1,778	(31)
FY19	851	1,781	(36)
FY20	791	1,755	(86)
FY21	738	1,740	(68)

ABRSD LONG RANGE FINANCIAL MODEL

This a financial MODEL.

It is not what will happen - it is an *educated guess* on what MAY happen.

It does not reflect what will be requested in January, 2013 for the upcoming budgets.

But, it is a tool that gives us valuable insights into the challenges of the budget drivers/assumptions.

ABRSD LONG RANGE FINANCIAL MODEL

These assumptions incorporate actual spending trends **from historical spending levels** as well as **estimates for future levels** of spending - many of which are assumptions and judgment calls.

7

ABRSD LONG RANGE FINANCIAL MODEL

These budget assumptions are based on current budgetary trends to maintain “level service.”

It also assumes no staffing level decrease due to declining enrollment at this time.

There are no escalators built in for potential “investment budget” commitments for FY14 and beyond.....

AB RULE OF THUMB: \$400k equals 1%

8

ABRSD LONG RANGE FINANCIAL MODEL

“Major Assumptions”

9

ABRSD LONG RANGE FINANCIAL MODEL

MAJOR ASSUMPTION #1

Salaries, Teaching:

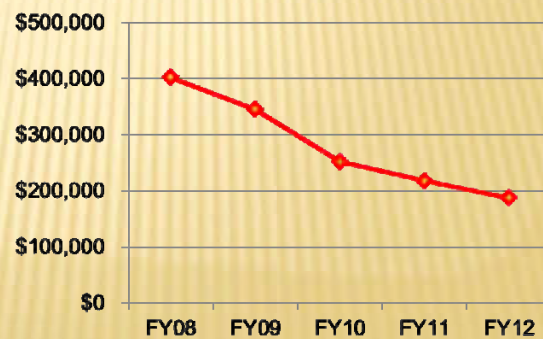
- ❖ ERI estimated at \$190,000 per year through FY18 (will end in 2021)
- ❖ Refer to Specialist account assumed level-funded at FY13 level
- ❖ All other Teacher Salary accounts assumed at 2.5% per year through FY18

10

ABRSD LONG RANGE FINANCIAL MODEL

- Recent trends in **School Choice** revenue have allowed us to assume that it will continue to pay for the same number of teachers as in FY13 for FY14 through FY18. If not, those positions, if maintained, would have to be moved into the general fund.

FY08	\$402,183
FY09	\$345,180
FY10	\$251,722
FY11	\$217,460
FY12	\$187,246



ABRSD LONG RANGE FINANCIAL MODEL

MAJOR ASSUMPTION #2:

Principals
 Central Administration
 Support Staff
 Athletics
 Buildings
 Custodians
 Substitutes

Will increase at 2.5% level from FY14 to FY18-historical salary increase patterns were not consistent-chose 2.5% as a reasonable annual increase (1% on just these accounts= \$56k)

ABRSD LONG RANGE FINANCIAL MODEL

MAJOR ASSUMPTION #3:

Fringes, Health Insurance:

- ❖ Assumes Medicare at 5% per year from FY14 to FY18
- ❖ Large % increase from FY13 to FY18 Health Insurance is partially due to the one-time \$473k Ed Jobs grant used in FY13 (20% increase from FY13 to FY14)
- ❖ Health Insurance assumed to increase 6% per year from FY14 to FY18

13

ABRSD LONG RANGE FINANCIAL MODEL

MAJOR ASSUMPTION #4:

Fringes, Health Insurance:

- ❖ AB Contributions to OPEB Trust Fund:

\$329k for FY14
 \$420k for FY15
 \$520k for FY16
 \$610k for FY17
 \$700k for FY18

14

ABRSD LONG RANGE FINANCIAL MODEL

MAJOR ASSUMPTION #5:

Fringes, Other Insurance: Level Fund at FY13 level

Fringes, Unemployment: Level Fund at \$40,000 per year

Fringes, Workers Compensation: Assumes Increase to \$135k for FY14; 2.5% increase from FY15 to FY18

Fringes, Pensions: Middlesex County Retirement Assessment assumes 5% increase per year from FY14 to FY18

15

ABRSD LONG RANGE FINANCIAL MODEL

MAJOR ASSUMPTION #6:

Instructional, Supplies: Level Fund at FY13 level

Instructional, Textbooks: Level Fund at FY13 level

Instructional, Library: Level Fund at FY13 level

Other, Capital Outlay: Level Fund at FY13 level

Makes the assumption that any increases to these line items in the upcoming fiscal years will be authorized at year end

16

ABRSD LONG RANGE FINANCIAL MODEL

MAJOR ASSUMPTION #7:

Other, Debt Service: Uses Actual numbers from current Debt Services schedules for FY14 to FY18

Of note, ABRSD has two types of debt:

- **Outside Debt Limit:** Junior High & High School Debt
- **Inside Debt Limit:** Lower Fields (began in FY13)

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ABRSD LONG RANGE FINANCIAL MODEL

MAJOR ASSUMPTION #8:

Other, Property & Casualty: Level funded at \$35k per year from FY14 to FY18

Other, Maintenance & Grounds: Level Funded at \$335.9K per year from FY14 to FY18

Other, Maintenance Equipment: Level Funded at \$197.5K per year from FY14 to FY18

Other, Legal Services: Assumes \$20K budget **decrease** in FY14, then assumes level funded for FY15 through FY18

18

ABRSD LONG RANGE FINANCIAL MODEL

MAJOR ASSUMPTION #9:

Other, Admin - assumes **potential** increase for computer maintenance for ABRSD in FY14 (costs shared with the Town of Acton) - then level service at FY14 level from FY15 to FY18

Athletics - assumes level funded for FY14 to FY18 - FY14 will be under close examination

Custodial Supplies - level funded at FY13 level

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ABRSD LONG RANGE FINANCIAL MODEL

MAJOR ASSUMPTION #10:

Other, SPED Transportation - assumes 3% increase per year from FY14 to FY18 (major component is CASE assessment)

Other, Student Transportation -

- ❖ Assumes 3% increase per year from FY14 to FY18
- ❖ Assumes increase in FY14 for higher gasoline costs, then level fund
- ❖ Uses current bus leases number for FY14 and FY15; then assumes 5% increase for FY16 to FY18

Travel - assumes Level Funded at FY13 level

20

ABRSD LONG RANGE FINANCIAL MODEL

MAJOR ASSUMPTION #11:

SPED Tuition – used preliminary FY14 as base, then assumed a 3% increase for FY15 to FY18 (based on historical average of 2.9% from the last five years)

Utilities - assumes savings from decrease in consumption and current favorable contract prices (NG through FY15; Electricity through mid-FY16). Savings could potentially increase if additional capital expenditures are authorized (payback in several years).

Sewer - assumes level funded at FY13 level

21

ABRSD LONG RANGE FINANCIAL MODEL

FROM LAST MONTH'S PRESENTATION:

Budgetary increases for level service alone will likely be well over 3%.

The “austere budget” increases of the last several years will no longer be possible due to a combination of flat Chapter 70 revenue, the non-availability of federal revenue, and already authorized spending commitments.

22

ABRSD LONG RANGE FINANCIAL MODEL

FROM SLIDE 8:

AB “Investment Budget” RULE OF THUMB:
 \$400K equals a 1% annual increase:
on top of the projected percentage increases
on the next slide

23

ABRSD LONG RANGE FINANCIAL MODEL

Current Assumptions of Annual
 Budget-To-Budget Growth (IN RED):

FY07 to FY08	8.4%	FY13 to FY14	4.3%
FY08 to FY09	4.8%	FY14 to FY15	2.6%
FY09 to FY10	0.5%	FY15 to FY16	2.6%
FY10 to FY11	3.72%	FY16 to FY17	2.9%
FY11 to FY12	0.7%	FY17 to FY18	2.6%
FY12 to FY13	1.6%		

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ABRSD LONG RANGE FINANCIAL MODEL

FROM LAST MONTH'S PRESENTATION:

The ABRSC will soon begin to grapple with a **multi-year, targeted implementation** of our Long Range Strategic Plan (focusing on curriculum needs, student support and implementing the NEASC recommendations).

25

ABRSD LONG RANGE FINANCIAL MODEL

FROM LAST MONTH'S PRESENTATION:

Collectively, we will have to balance the next important aspects of the **Long Range Strategic Plan** against a very challenging financial picture.

How that gets accomplished will ultimately reflect the values of both towns.

26

ABRSD LONG RANGE FINANCIAL MODEL

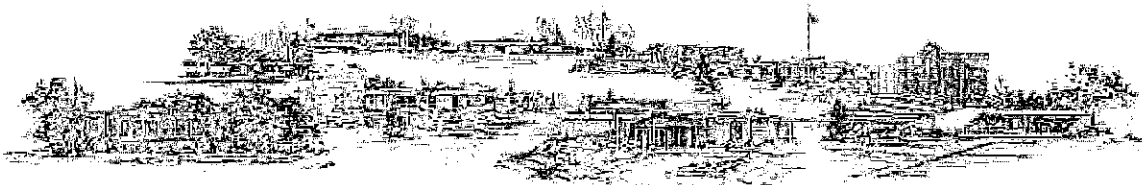
Thank you for your attention. I will be happy to answer any questions that you have.

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11/1/2012

Annual Actual % Increase?

6.2
(last page)



ACTON PUBLIC SCHOOLS / ACTON-BOXBOROUGH REGIONAL SCHOOL DISTRICT
96 Hayward Road, Acton, Massachusetts 01720-2995 • (978) 264-4700 • Fax: (978) 266-2523

Interoffice Memorandum

To: Acton-Boxborough Regional School Committee
From: Don Aicardi, Director of Finance
Date: 10/24/2012
CC: Dr. Stephen Mills

On March 1, 2012, the Acton-Boxborough Regional School committee voted to "establish as a segregated fund on the books of the Acton-Boxborough Regional School District and be administered in accordance with the requirements of and for the purposes of Section 20 of Chapter 32B, such fund to be in the form of an irrevocable trust or such other form as shall be determined by counsel as appropriate to meet the requirements of MGL Section 20 and of Government Accounting Standards Board Standard 45."

Since that time, \$236,000 was approved at both town meetings as part of the FY13 ABRSD budget to be place in the OPEB Trust Fund. The final step of this process is the approval by the Acton-Boxborough Regional School committee of the actual legal agreement for the establishment of the OPEB Trust fund.

Towards that end, D.M. Moschos, from Mirick O'Connell, presented a draft to myself and Tess Summers, Regional Treasurer, on Monday, October 22, 2012. Mr. Moschos counseled us to send the draft agreement to the Regional School Committee at the November 1, 2012 meeting so that the committee would feel prepared for a vote at the next regional meeting on December 6, 2012.

Please send all questions and concerns that you have to me and I will pass them to either Mr. Moschos or Mrs. Summers for a response before the meeting. In the event that Mr. Moschos' presence is desired at the December meeting, I will be happy to request his attendance to answer questions.

Thank you,

Enclosures:

OPEB Trust Fund Draft, D.M. Moschos, Mirick O'Connell

DRAFT

**VOTE OF ACTON-BOXBOROUGH REGIONAL SCHOOL COMMITTEE TO ESTABLISH
OTHER POST-EMPLOYMENT BENEFITS ("OPEB") TRUST FUND
AND TO DESIGNATE TREASURER OF
ACTON-BOXBOROUGH REGIONAL SCHOOL DISTRICT
AS CUSTODIAN OF THE OPEB TRUST FUND**

WHEREAS, on [INSERT DATE], the Acton-Boxborough Regional School District (the "School District") accepted M.G.L. c. 32B, § 20, as amended, regarding the establishment of an "Other Post-Employment Benefits Liability Trust Fund;" and

WHEREAS, the School District has established certain health post-employment benefits ("OPEB"), for eligible former employees of the School District; and

WHEREAS, the School District wishes to establish an irrevocable trust fund which shall be known as the School District of Acton-Boxborough OPEB Trust Fund (hereinafter the "OPEB Trust Fund") for the purposes of funding OPEB obligations as required to be reported under Government Accounting Standards Board ("GASB") Standard 45;

WHEREAS, the OPEB Trust Fund is established by the School District with the intention that it qualify as a tax-exempt trust performing an essential governmental function within the meaning of Section 115 of the Internal Revenue Code and regulations issued thereunder and as a trust fund for OPEB under M.G.L. c. 32B, § 20;

NOW THEREFORE, the Acton-Boxborough Regional School Committee (the "School Committee") hereby votes by roll call vote to establish an Other Post-Employment Benefits ("OPEB") Trust Fund and to designate the Treasurer of the Acton-Boxborough Regional School District as custodian of the OPEB Trust Fund in accordance with the provisions of M.G.L. c. 32B, § 20 as follows:

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1. M.G.L. Chapter 32B, Section 20, as amended by Chapter 68, Section 57 of the Acts of 2011 ("Section 20"), authorizes districts that accept such Section to establish an Other Post-Employment Benefits Liability Trust Fund ("OPEB Trust Fund") and to appropriate amounts to such OPEB Trust Fund. Pursuant to Section 20, the School District, by this vote (the "Vote") establishes an OPEB Trust Fund, and designates the Treasurer as custodian of the OPEB Trust Fund.

2. As custodian of the OPEB Trust Fund, the Treasurer shall serve as the custodian of the OPEB Trust Fund established pursuant to M.G.L. c. 32B, § 20.

3. The OPEB Trust Fund is created for the sole purpose of providing funding for OPEB, as determined by the School District, or as may be required by collective bargaining agreement, or by any general or special law providing for such benefits, for the exclusive benefit of the School District's Retired Employees and their eligible dependents and for defraying the reasonable administrative, legal, actuarial and other expenses of the OPEB Trust Fund. The assets held in the Trust shall not be used for or diverted to any other purpose, except as expressly provided herein.

4. The OPEB Trust Fund shall be irrevocable, and no trust funds shall revert to the School District until all OPEB owed to retired School District employees have been satisfied or defeased.

5. The Treasurer shall perform her fiduciary duty in accordance with the terms and conditions of this Vote, subject to the provisions of M.G.L. c. 32B, § 20.

6. The Treasurer shall be the custodian of the OPEB Trust Fund for the School District, and no other employee, official, or agent of the School District, nor any individual, person or other entity shall have any right title or interest to the OPEB Trust Fund.

7. The OPEB Trust Fund shall consist of such sums of money as shall from time to time be paid or delivered to the Treasurer by the School District for the Trust Fund, which together with all earnings, profits, increments and accruals thereon, without distinction between principal and income, shall constitute the OPEB Trust Fund hereby created and established. Nothing in this Agreement

DRAFT

requires the School District to make contributions to the OPEB Trust Fund. Any obligation of the School District to pay or fund benefits shall be determined in accordance with applicable law.

8. The OPEB Trust Fund shall be credited with all amounts appropriated or otherwise made available by the School District and employees of the School District as a contribution to the OPEB Trust Fund for the purposes of meeting the current and future OPEB costs payable by the School District, or any other funds donated or granted specifically to the School District for the Trust Fund, or to the Trust Fund directly.

9. The Treasurer shall be accountable for all delivered contributions but shall have no duty to determine that the amounts received are adequate to provide the OPEB Benefits determined by the School District.

10. The Treasurer shall have no duty, expressed or implied, to compel any contribution to be made by the School District, but shall be responsible only for monies received by her pursuant to this Vote with respect to the OPEB Trust Fund.

11. The School District shall have no obligation to make contributions to the OPEB Trust Fund, and the size of the OPEB Trust Fund may not be sufficient at any one time to meet the School District's OPEB liabilities. This Vote shall not constitute a pledge of the School District's full faith and credit or taxing power for the purpose of paying OPEB, and no retiree or beneficiary may compel the exercise of taxing power or appropriation by the School District for such purposes. The obligation of the School District to pay or fund OPEB obligations, if any, shall be determined by the School District. Distributions of assets in the OPEB Trust Fund are not debts of the School District within the meaning of any constitutional or statutory limitation or restriction.

12. Earnings or interest accruing from investment of the OPEB Trust Fund shall be credited to the Trust Fund. Amounts in the OPEB Trust Fund, including earnings or interest, shall be held for the exclusive purpose of, and shall be expended only for, the payment of the costs payable by the School

DRAFT

District for OPEB obligations to Retired Employees and their dependents, and defraying the reasonable expenses of administering any plan providing OPEB Benefits as provided for by this Vote.

13. Amounts in the OPEB Trust Fund shall in no event be subject to the claims of the School District's general creditors. The OPEB Trust Fund shall not in any way be liable to attachment, garnishment, assignment or other process, or be seized, taken, appropriated or applied by any legal or equitable process, to pay any debt or liability of the School District, or of retirees or dependents who are entitled to OPEB.

14. In accordance with M.G.L. c. 32B, Section 20, the Treasurer may employ an outside custodial service to hold the monies in the OPEB Trust Fund.

15. In accordance with M.G.L. c. 32B, § 20, the monies in the OPEB Trust Fund shall be invested and reinvested by the Treasurer consistent with the prudent investor rule established in M.G.L. c. 203C.

16. Consistent with the prudent investor rule set forth in M.G.L. c. 203C, in determining how to invest the monies in the OPEB Trust Fund, the Treasurer, as the custodian of the OPEB Trust Fund, shall consider the following factors that are relevant to the OPEB Trust Fund and/or its beneficiaries:

- (1) general economic conditions;
- (2) the possible effect of inflation or deflation;
- (3) the expected tax consequences of investment decisions or strategies;
- (4) the role that each investment or course of action plays within the overall trust portfolio;
- (5) the expected total return from income and the appreciation of capital;
- (6) other resources of the beneficiaries;
- (7) needs for liquidity, regularity of income, and preservation or appreciation of capital; and
- (8) an asset's special relationship or special value, if any, to the purposes of the Trust Fund or to one of the beneficiaries.

DRAFT

17. In addition, the Treasurer shall make a reasonable effort to verify facts relevant to the investment and management of OPEB Trust Fund assets.

18. The Treasurer shall also reasonably diversify the investments of the OPEB Trust Fund unless, under the circumstances, it is prudent not to do so.

19. The Treasurer shall invest and manage the trust assets solely in the interests of the beneficiaries of the OPEB Trust Fund.

20. In investing and managing trust assets, the Treasurer shall incur only costs that are appropriate and reasonable in relation to the assets, the purpose of the OPEB Trust Fund, and the Treasurer's skills.

21. The Treasurer may delegate investment and management functions if it is prudent to do so. In such a case, the Treasurer must exercise reasonable care, skill and caution in:

- (1) selecting an agent;
- (2) establishing the scope and terms of the delegation, consistent with the purposes and terms of the OPEB Trust Fund; and
- (3) periodically reviewing the agent's actions in order to monitor the agent's performance and compliance with the terms of the delegation.

22. The Treasurer may, by instrument executed by the Treasurer, delegate to any attorney, agent or employee such other powers and duties as they deem advisable, including the power to execute, acknowledge or deliver instruments as Treasurers do so and sign and endorse checks for the account of the OPEB Trust Fund.

23. Pursuant to M.G.L. c. 32B, § 20, the monies in the OPEB Trust Fund may, with the approval of the Health Care Security Trust board of trustees, be invested in the State Retirees Benefits Trust Fund established in M.G.L. c. 32A, Section 24.

24. The Treasurer shall not be liable for the making, retention or sale of any investment or reinvestment made by the Treasurer as herein provided or for any loss to or diminution of the OPEB

DRAFT

Trust Fund or for anything done or admitted to be done by the Treasurer with respect to this Vote or the OPEB Trust Fund except as and only to the extent that such action constitutes a violation of the law or gross negligence.

25. The Treasurer, in her discretion, may purchase as an expense of the OPEB Trust Fund such liability insurance for the Treasurer or any other fiduciary selected by the Treasurer as may be reasonable. The School District, in its discretion, may also purchase liability insurance for the Treasurer, and as the School District may select, for any person or persons who serve in a fiduciary capacity with respect to the OPEB Trust Fund.

26. The School District shall not assume any obligation or responsibility to any person for any act or failure to act of the Treasurer, any insurance company, or any beneficiary of the OPEB Trust Fund. The Treasurer shall have no obligation or responsibility with respect to any action required by this Vote to be taken by the School District, any insurance company, or any other person, or for the result or the failure of any of the above to act or make any payment or contribution, or to otherwise provide any benefit contemplated by this Vote.

27. Neither the Treasurer nor the School District shall be obliged to inquire into or be responsible for any action or failure to act on the part of the other. No insurance company shall be a party to any OPEB agreement, for any purpose, or be responsible for the validity of the OPEB Trust Fund, it being intended that such insurance company shall be liable only for the obligations set forth in the policy or contract issued by it.

28. No successor Treasurer shall be held responsible for an act or failure of a predecessor Treasurer.

29. The Treasurer is a public employee for purposes of G.L. c.258, and shall be indemnified by the School District against any civil claim, action, award, compromise, settlement or judgment by

DRAFT

reason of an intentional tort to the same extent and under the same condition as other public employees of the School District.

30. The Treasurer shall not be indemnified for violation of the civil rights of any person if (s)he acted in a grossly negligent, willful or malicious manner, or in connection with any matter where it is shown to be a breach of fiduciary duty, an act of willful dishonesty or an intentional violation of law by the Treasurer.

31. The School District shall indemnify and hold harmless the Treasurer for any loss, liability, cost, damage or expense, including reasonable attorneys' fees and costs, that does not directly result from the Treasurer's gross negligence or willful misfeasance. Nothing contained in this Vote shall, however, constitute a waiver or limitation of any rights which the School District may have under any applicable law.

32. The Treasurer shall not be liable with respect to its services hereunder except for any loss attributable to the Treasurer's gross negligence or willful misfeasance. The Treasurer shall not be liable for any act or omission of any outside custodial service or any broker or dealer. Without limiting the foregoing, the Treasurer does not assume responsibility for the accuracy of information furnished to it by School District, any custodian, any broker or dealer, or by any person on whom she reasonably relies.

33. The School District acknowledges that it is obligated, as the fiduciary for the OPEB Trust Fund, to review and evaluate the suitability of the investment of the OPEB Trust Fund.

34. The Superintendant shall appoint the following individuals to the Board of Advisors to the OPEB Trust Fund (the "Board"), which Board is established for the purposes of advising the Treasurer with respect to decisions relating to investments and reinvestments of monies in the OPEB Trust Fund and the holdings of the OPEB Trust Fund:

DRAFT

Board of Advisors to the OPEB Trust Fund:

- School Director of Finance;
- A member of the Finance Committee of the Town of Acton;
- A member of the Finance Committee of the Town of Boxborough; and
- Chair of the Acton-Boxborough Regional School Committee, ex officio.

35. The Board shall be responsible for reviewing and evaluating potential investment opportunities of the OPEB Trust Fund and for making recommendations regarding such potential investments to the Treasurer.

36. The Treasurer shall be responsible for reviewing and evaluating the investment(s) of the OPEB Trust Fund. The Treasurer shall also be responsible for notifying the Board on a quarterly basis about any investments made; about the status of those investments; and of any decision to reinvest the OPEB Trust Fund in different investment vehicles.

37. The School District shall annually submit to the Public Employee Retirement Administration Commission (PERAC) a summary of its other post-employment benefits cost and obligations and related information, as required by Government Accounting Standards Board standard 45.

38. The School District shall immediately notify the Treasurer in writing of any change in the persons authorized hereunder to act as members of the Board of Advisors, such notice to be accompanied by a certificate of the Clerk of the School District, certifying that the persons named are so authorized.

39. The Treasurer shall not make any representations or warranties, express or implied, that any level of performance or investment results will be achieved by the OPEB Trust Fund, or that the OPEB Trust Fund will perform comparably with any standard or index.

DRAFT

40. If the OPEB Trust Fund is terminated, subject to the payment of or making provision for the payment of all obligations and liabilities of the Trust Fund, the net assets of the Trust shall be transferred to the School District and held by the Treasurer to be used exclusively for providing OPEB to Retired Employees and their eligible dependents and for no other purpose.

41. The powers of the Treasurer shall continue until the affairs of the Trust Fund are concluded.

42. The OPEB Trust Fund may only be amended as set forth herein. The School Committee may amend the OPEB Trust Fund at any time as may be necessary to comply with the requirements for tax exemption under Section 115 of the Code, to conform the Trust to the laws of the Commonwealth of Massachusetts and to meet the standards set forth in GASB 43 and GASB 45 to be treated as funded through a qualifying trust or equivalent arrangement.

43. The OPEB Trust Fund may be amended, but not revoked, from time to time by the School Committee, subject to the following limitations:

- (a) The assets of the OPEB Trust fund may not be used for or diverted to any other purposes prior to satisfaction of the School District's OPEB obligations, and reasonable expenses of administering the OPEB Trust Fund; and
- (b) The duties and liabilities of the Treasurer cannot be substantially changed without her written consent.

44. Any amendment to the OPEB Trust fund shall be executed in writing by vote of the School Committee.

45. The Treasurer may establish Rules and Regulations and guidelines for the Trust Fund.

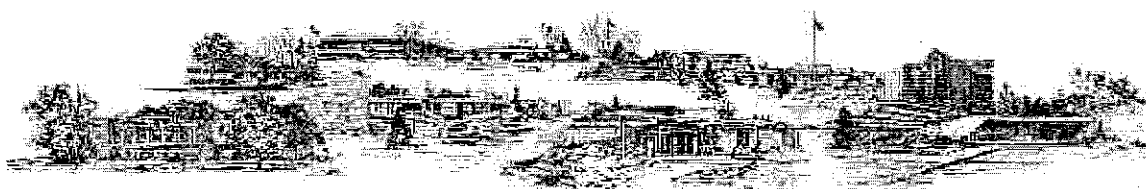
DRAFT

46. The Treasurer shall file an annual report on the OPEB Trust Fund to the Superintendent and Chair of the School Committee.

Voted on _____, 2012

Chair, Acton-Boxborough Regional School Committee

Clerk



ACTON PUBLIC SCHOOLS / ACTON-BOXBOROUGH REGIONAL SCHOOL DISTRICT
96 Hayward Road, Acton, Massachusetts 01720-2995 • (978) 264-4700 • Fax: (978) 266-2523

Interoffice Memorandum

To: Acton-Boxborough Regional School Committee
From: Don Aicardi, Director of Finance
Date: 10/24/2012
CC: Dr. Stephen Mills

During this past summer, both Tim Harrison, from our auditing firm of Borgatti Harrison & Co., and Tess Summers, Treasurer of the Acton-Boxborough Regional School District, believed that, due to the historic decreases in interest rates it would be worth exploring the potential of “bond refinancing” of our existing regional debt.

Towards that end, Tess and I invited representatives from FirstSouthwest in for a meeting to explore whether bond refinancing/refunding would be a prudent move at this time. On October 11, 2012, Peter Frazier, Senior Vice President, First Southwest, came to our offices and conducted a highly technical presentation. His recommendation is not to move forward at this time, but they agreed to continue to monitor the situation closely due to our interest in the subject. We requested that Mr. Frazier write a short memo to the Regional School Committee outlining his analysis and advice. Please see the attached memo.

I think it is worth noting that at the end of the last paragraph on the second page, Mr. Frazier noted that we should “keep in mind that both issues are exempt from Proposition 2 ½ and all savings will flow to the underlying towns’ taxpayers and will not generate any additional direct budget flexibility for the District.”

Any savings would not necessarily provide relief for the operating budgets if refinancing were to occur. We will continue to monitor this matter closely due to the fact that it would bring tax relief to our stakeholders, the taxpayers, and therefore is worth exploring and maintaining our vigilance.

I want to thank Tim Harrison and Tess Summers for their thoughtfulness and thoroughness on this matter. We will keep the Regional School Committee apprised as events develop.

Enclosures:

Memo, FirstSouthwest

Memorandum

54 Canal Street
Suite 320
Boston, MA 02114

(617) 619-4409 Direct
(617) 619-4411 Fax

Peter Frazier
peter.frazier@firstsw.com

Date: October 15, 2012

To: Don Aicardi, Finance Director
Tess Summers, District Treasurer

Subject: Acton-Boxborough RSD – Bond Refunding Analysis

Pursuant to your request, below and attached are results of our analysis of the District's outstanding bonds for opportunities to refinance and generate debt service savings. Similar to the refinancing of a mortgage, savings are achieved by lowering interest costs. It is essential that the bonds being refunded are callable; i.e., are able to be prepaid. Most bonds with terms longer than 10 years include a call feature, which permits the issuer to call and prepay the bonds maturing after ten years from their original issue date and prior to their maturity dates. The savings are a result of being able to call in high interest rate debt and substitute it with lower interest rate debt. The bonds can be structured to produce savings up front (within certain limits) or evenly distributed throughout the remaining term of the bonds. Also, refunding bond issues tend to be more efficient (generate more savings) the closer their sale date is to the call date (prepayment date) of the refunded bonds.

As none of the District's existing debt issues have reached their call (prepayment) dates, the District would have to issue advance refunding bonds in order to refinance the existing issues. Advance refunding issues entail selling bonds at current low interest rates and placing the proceeds of the bonds, after paying all issuance costs, in an escrow account, invested in federal government backed securities that pay the debt service on the existing bonds up to the call date at which time the proceeds of the escrow pay-off the outstanding principal on the refunded bonds.

Typically, refunding transactions are considered worthwhile if they produce savings greater than three (3%) percent of the amount of principal refunded.

The District's bond issues that are candidates for refunding follow:

<u>Issue</u>	<u>Average Interest Rate</u>	<u>Callable Balance</u>	<u>Call Date</u>	<u>Estimated Budgetary Savings</u>	<u>Estimated Present Value Savings</u>	<u>Savings as a Percent of Refunded Principal</u>
2004 Bonds (1)	4.587%	\$3,360,000	12/1/2014	\$228,093	\$208,177	6.196%
2005 Bonds (2)	4.465%	\$10,760,000	12/1/2015	\$476,451	\$412,045	3.829%

- (1) The Bonds are exempt from the limits of Proposition 2 ½. There is \$111,485 of negative arbitrage associated with this refunding opportunity at this time.
- (2) The Bonds are exempt from the limits of Proposition 2 ½. There is \$547,329 of negative arbitrage associated with this refunding opportunity at this time.

All costs are included in the transaction and savings are shown net of all costs. The Massachusetts General Laws require that refunding bonds must generate present value savings and bonds will not be effective until the winning bid on the refunding bonds has been approved by the Treasurer and School Committee of the District.

Federal tax law requires that the interest rate on the government securities that are in the refunding escrow account not exceed the weighted average interest rate (arbitrage yield) on the new refunding bonds. To the extent that the escrow earning rate is below the arbitrage yield, the escrow is considered inefficient and negative arbitrage exists. Negative arbitrage is a measure of how much more savings the transaction could produce if the escrow could be invested at a rate equal to the bond yield. As a rule of thumb, if the negative arbitrage is equal to or greater than the projected savings on a transaction, the issuer should delay moving forward with the transaction.

The District's existing debt issues have call features and interest rates are near historic lows, however the negative arbitrage associated with the 2005 Bonds refunding opportunity at this time may be considered too high for the District to proceed with the refunding. The 2004 Bonds meet both the savings percentage threshold and the negative arbitrage threshold but the annual dollar savings may not be sufficiently large on a stand-alone basis to interest the District at this time. As mentioned earlier, the closer the sale date is to the call date, the more attractive the refunding will become with the negative arbitrage converting to savings, assuming interest rates continue to remain low. Finally, please keep in mind that both issues are exempt from Proposition 2 ½ and all savings will flow to the underlying towns taxpayer's and will not generate any additional direct budget flexibility for the District.

We will continue to monitor and report to you on these opportunities. If you have any questions concerning this matter, please do not hesitate to call me at (617) 619-4409.

ACTON-BOXBOROUGH REGIONAL HIGH SCHOOL
36 Charter Rd.
Acton, MA 01720

6.5

To: Stephen Mills
From: Alixe Callen
cc: Wioletta Pawlowska
Date: October 17, 2012
Subject: Donation to ASHA

Sumana and Satish Bhat donated \$775 to the student activity ASHA. We would appreciate your approval of their donation.

Thank you.

ACTON-BOXBOROUGH REGIONAL HIGH SCHOOL
36 Charter Rd.
Acton, MA 01720

7.12

To: Stephen Mills
From: Alixe Callen
cc: Maria Anthony
Date: October 1, 2012
Subject: Donation from ActonArt, LLC

ActonArt Drawing School has donated \$100 to the SHS publication "Window Seat."
We request your approval of their donation.

Their check will be deposited into Fund 3305 – SHS Gifts.

ACTON-BOXBOROUGH REGIONAL HIGH SCHOOL
36 Charter Rd.
Acton, MA 01720

To: Stephen Mills
From: Alixe Callen
cc: Wioletta Pawlowska
Date: October 17, 2012
Subject: Donations to ASHA

The following donations were made to ASHA:

Namadev and Pushpalatha Baskaran	\$10.
Bharadwaj and Nirmala Yadavalli	\$25.
Leona Burgess	\$25.
Madhusudhan and Padma Gowravaram	\$25.
Suchetha Adiga	\$30.
Vipul Kalwani and Priya Kalwani	\$30.
Vijay and Piyusha Savla	\$30.
Sudhir Srinivasan and Padmini Narayan	\$50.
Madhusudhan Akkihebbal and Kusuma Srimivasa Murthy	\$50.
Ajay and Geeta Sharda	\$50.

We request that the donations be approved. Thank you.

October 31, 2012

To: Stephen Mills
From: Andrew Shen
Re: FY13 Budget Additions Update and Impact

Dr. Mills,

The following is a summary of how staffing additions to our school, along with end-of-year capital purchases from the FY12 budget, have been utilized to meet our School Improvement goals, contribute to the District's Long Range Strategic Plan, and expand the resources and services that are necessary for meeting the needs and interests of our students.

We continue to benefit from yours and the School Committee's support of our initiatives through the investment budget and end-of-year expenditures. In an environment where the financial outlook can be complex and constantly shifting, we appreciate your continued advocacy on behalf of our school and its students.

Increasing the Junior High Textbook Line

The increase in the Junior High textbook line was intended to provide academic departments the ability to purchase materials and texts that reflect changes within the discipline, and also incorporate new supplementary materials that utilize a digital platform (i.e. web-based materials). The increase also allows for purchases to be made in larger quantities, which has been a perpetual issue (i.e. purchasing enough Math textbooks for an entire grade). This line also provides us with the opportunity to meet the needs of various academic departments that are interested in expanding their use of other resources such as online databases, new assessment materials, and resources that speak to new current curriculum standards (such as the introduction of the Common Core). For the 2012-2013 school year, the Textbook Line has so far supported the following:

- Purchase of new textbooks for both the 8th grade Math AE and Honors classes. The previous AE text had a copyright date of 1998, and the Honors had a copyright date of 2001. In the past ten years, changes in curriculum standards and in technology made the previous texts outdated. The new texts also coincide nicely with our classroom technology, MOBIs, and "clickers".

- Purchase of new supplementary texts for the Science Department including an Ecology textbook to support curricular alignment with the Common Core

- New 7th grade reading assessment that is given to every 7th grade student at the beginning of the school year, and the end of the year

- Updating Library collection in both fiction and non-fiction: purchasing annual subscription to World Book online, and purchasing texts to expand the poetry collection

Connection to Long Range Strategic Plan and Improvement Goals:

- LSRP Goal #2: "Prepare students by providing them with the knowledge, and intellectual and reflective skills they will need to thrive in an increasingly complex world"

Increasing Drama Teacher position to 1.0 FTE (from .8)

This year, our Drama position was increased to a full-time (1.0 FTE) position, which enabled us to provide a Drama elective course for both 7th and 8th grade students during our "Grey Block" period. Similar to our Band and Chorus electives, the Drama elective is a yearlong course for interested students. Below are some highlights thus far from the 2012-2013 school year:

85 seventh grade students (approx 19% of class) signed up for the Drama elective. Given the significant interest, we made the decision to create two sections for seventh graders (where each group meets once per rotation), allowing us to include 54 students (instead of only 27)

The eighth grade Drama elective currently has approximately 20 students

Students are writing and performing skits to peers as part of our anti-bullying and teasing curriculum

The Drama elective expands our ability to provide a variety of options and programs that meet the continued high demands and interest of our community for theatre-based programs

Connection to LRSP and Improvement Goals:

LRSP Goal 1, Strategy #5: "Examine and determine appropriate staffing and funding to provide diverse opportunities for all students"

RJG Improvement Goal #1: "Continue the process of implementing and enhancing an anti-bullying and teasing curriculum and intervention program for all students"

Replacing Computer Lab B with 30 New Desktop Computers (end of year FY12 funds)

The previous desktop computers in Lab B were purchased in 2002, and had reached the point where they required constant repair, and were not able to support the increased use of online tools. Replacing the computers with 30 new computers permits us to continue supporting teacher incorporation of technology into their classroom instruction. With the introduction of the AB Schools platform to Junior High students (including AB Schools email accounts) this year, it is essential that we begin to update and increase the technology that is available to students and classrooms. Below are some highlights thus far from the 2012-2013 school year:

During the first 59 days of the 2012-2013 school year, the Lab was used, or is scheduled to be used, during 31 school days (155 class periods) by 12 different teachers.*

RJG and Central Office continue to use the lab for staff trainings and professional development (ex. AB Schools training for staff, Professional Day training for support staff, AESOP training for office staff)

Lab B was used for piloting the roll out of student AB Schools accounts. There were no technical difficulties, teacher instruction progressed smoothly and at an appropriate pace.

*Please note that this information is not meant to suggest that only 12 RJ Grey teachers have incorporated the use of technology in their instruction. Many other teachers have elected to use our mobile labs, netbook lab, and/or the other computer lab (Lab A). This data pertains only to usage of Lab B thus far.

Connection to LRSP and Improvement Goals:

LRSP Goal 4: "Create a teaching and learning environment in which all students use information, technology, and communication tools in sophisticated ways to enhance learning."

LRSP Goal 4, Strategy #1: "Develop a plan that would allow each student access to technology when educationally appropriate"

JH Improvement Goal #2: "We will continue... with technology integration through the introduction of the AB Schools platform."

Library Re-Design- Conversion into Learning Commons and Media Center (end of year FY12 funds)

The Junior High has a vision for designing a library space that serves as both a "learning commons" and "media center", with a greater emphasis on open meeting spaces, service and guidance, and incorporation of technology. By using current space more efficiently (i.e. placing shelving along walls, re-positioning tables), we can create more open space for group seating, for computer use, and instructional activities. We remain committed to providing relevant and useful materials, *and* to also highlight service and collaborative learning activities where the Librarian/Media Specialist and classroom teachers are providing guidance to students as they navigate both print and digital resources. Students are supported not only in their accessing of information, but producing

information through various multimedia (Web 2.0) tools. Our vision for the Library is seen in the content of the Library website (<https://sites.google.com/a/abschools.org/rjgreylib/>). This year, the primary physical changes that were supported by end of year FY12 resources are:

New shelving that contributes to a new library shelving arrangement that emphasizes expansion of open spaces and separate seating areas

Computer tables and chairs that will be used to create a media lab that will include 25-30 computers that will be used for instruction and digital projects using Web 2.0 tools

Connection to Long Range Strategic Plan and Improvement Goals:

LRSP Goal 4, Strategy #1: "Creating a teaching and learning environment in which all students use information, technology, and communication tools in sophisticated ways to enhance learning."

LRSP Goal 4, Strategy #3: "Integrate technology learning goals with academic goals across the curriculum."

LRSP Goal 4, Year 1: "Complete network assessment to identify elements that are in need of an upgrade or replacement to fulfill service and growth needs."

Other current & future tasks/projects related to continued Library re-design:

- ***Physical space:*** expanding and diversifying meeting and seating spaces to create a feel more akin to a "learning commons"; pursuing changes that create a less clinical environment and develops more character through use of color, display areas, and multi-purpose seating options
- ***Technology:*** identifying and funding technology for the computer lab area that supports the school's increased commitment to student technology learning goals, and use of Web 2.0 tools
- ***Collections and resources:*** (1) updating non-fiction collections to focus on contemporary print materials; (2) increasing availability and usage of online databases; (3) continuing to increase fiction holdings to reflect growth and expansion of young adult literature
- ***Utilization:*** use of space before, during, and after school as a multi-purpose meeting space for students, staff, and families, as well as a showcase for student work (both print and digital)
- ***Training and Professional Development:*** expanding and increasing the professional development offered to staff in the areas of instructional technology and technology learning goals. Leveraging the expertise of the Librarian/Media Specialist and the EdTech support staff who are both housed in the Library