



Proposed Member Town Assessments

2015 – 2016

3/5/2015

V7.0

Blue Hills Regional Community Members:

This booklet is designed to present our member communities with an understanding of the district's assessment for the fiscal year beginning July 1, 2015. The booklet is also intended to provide a historical perspective of assessments, as well as an examination of the factors contributing to the assessment calculation.

The district's fiscal goal for community assessments is to continue to reduce the amount of Excess and Deficiency Account funds (E & D) that are applied to the assessment each year. The long-term goal is to have is very little or no surplus E & D to apply to the assessments each year.

As part of the step down process for Fiscal Year 16, the district, for the first time in seven (7) years, is contributing residual E & D funds to reduce the assessment. This action is being done for two reasons: (1) to offset the increase in the budget and (2) to decrease the structural deficit caused by reliance on E & D to reduce assessments.

Should you have any questions regarding the material contained in this booklet, please do not hesitate to contact us.

Sincerely,

Jim Quaglia

Superintendent – Director

Steven Moore

Assistant Superintendent for Business and Personnel

The following five items are key factors in calculating the 2016 assessment for each town

- I. Increased enrollment at Blue Hills*
- II. Increase in the school’s operating budget of 2.8% (\$498,446)*
- III. Decrease in surplus E & D*
- IV. Increased percentage of member towns’ enrolled students*
- V. 9C Cuts to Regional Transportation Reimbursement*

I. Increased Enrollment at Blue Hills

In the current school year, the district experienced an enrollment increase of 30 students (870) over 2015 reported enrollment. In 2016, the district anticipates an enrollment increase of another 20 students, which will impact 2017 assessments.

Enrollment increases for the past two years, along with a return to an eight-period schedule will increase class sizes to an undesirable level and potentially violate contractual class size limits. Therefore, the district is proposing to hire additional Academic and Vocational teachers to address the increased enrollment. Not only will these additional instructors address class size issues but they will also help the district meet its goals of increased student achievement levels, literacy across all disciplines, improved programs, and increased technology implementation and integration.

Blue Hills Enrollment History

	FY 16	FY 15	FY 14	FY 13	FY12	FY 11	FY 10	FY 09
Avon	51	45	40	32	39	33	43	46
Braintree	159	139	139	123	118	112	111	128
Canton	63	59	58	70	79	87	83	79
Dedham	79	77	56	50	46	39	39	45
Holbrook	150	133	132	133	135	144	149	140
Milton	52	49	49	48	48	39	45	43
Norwood	50	59	64	69	64	57	55	55
Randolph	257	272	272	306	311	320	306	303
Westwood	9	7	6	3	9	11	12	11
	870	840	816	834	849	842	843	850

II. Increase in the school’s operating budget of 2.8% (\$498,446)

A. For fiscal year 2016, Blue Hills is anticipating a 2.8% increase (\$498,446) in its operating budget. Key factors driving this increase are:

- 1. Staffing increases (5.3 FTE) (\$321,383)
- 2. Wage increases (2.1%) (\$213,624)
- 3. Utility cost increases (16%) (\$113,000)

B. Actions to reduce impact of the necessary increase:

1. 10% overall reductions in two expense categories
2. Assessment of utility costs to non-operating budget programs
3. A 27% reduction in capital repair expense
4. Aggressive budgeting for employee fringe
5. Use of E & D funds to supplement budget

1. Staffing Increase – 3.5 Academic Teachers – 1 FTE Vocational Teacher and 0.8 FTE Security Personnel

Key to this budget is the addition of 4.5 FTE instructional positions. These positions are needed to address increasing enrollment, structural changes to the school's operating schedule, and the need to expand the number of rigorous and relevant academic offerings for the students.

The new positions include three academic positions. one each in mathematics, English, and social studies. One vocational teacher has been added for a new criminal justice/protective services program and a half-time physical education teacher to address scheduling and class size issues.

Along with addressing class sizes and scheduling needs, these positions will allow the school to offer new courses in physics, astronomy, journalism, world poetry, criminology, 21st century computer skills, college writing, public speaking, and entrepreneurship. These new programs increase the variety of academic offerings along with providing many of the critical thinking skills sought by employers today and into the future.

The restoration of a 0.8 FTE security position addresses the district's Long-Term Goal of providing a safe school environment and maintaining the buildings, grounds and facilities.

2. Wage Increases

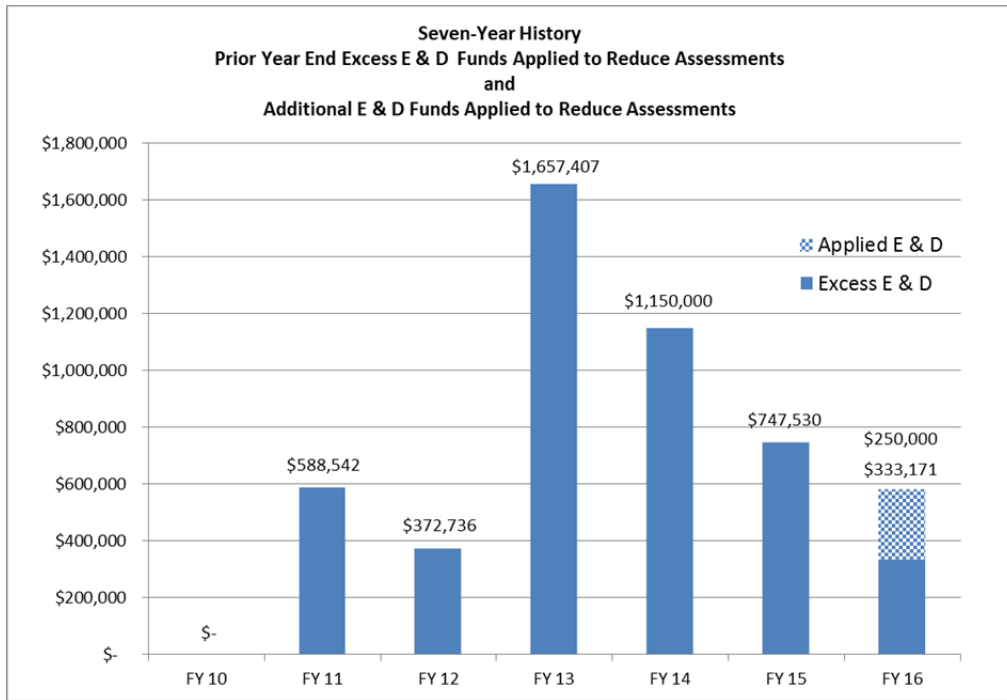
- a. The impact of wage increases including all step and lane changes is 2.1% of the overall salary budget increase. Next year the increase should be less as the committee negotiated a more favorable (to the committee) contract for FY 17.
- b. To offset the impact of wage increase and the need for additional staff, the district has made cuts to many of the expense lines. The district has also been fairly aggressive in budgeting for employee benefits as many lines in that category were reduced.

3. Utility Cost Increases

- a. The district anticipates an increase in utility cost in excess of the 16% (\$113,000) increase we budgeted. All three of the utility areas – water, heating, and electricity – are anticipated to increase by as much as 25%. Because both the heating and electrical contract expire during the 2016 school year, the district was fairly aggressive in its budging and will make adjustments in other areas should utility costs rise above the 16% budgeted increase.
- b. To offset the increase of utility costs, the district will assess some of the programs that run outside of the operating budget for utility costs.
- c. To offset the potential increase of utility cost the district reduced its budget for capital repair projects. Additionally, if utility costs escalate beyond budgeted amounts some capital projects may be deferred to increase the availability of funds for utilities.

III. Decreased surplus E & D

- a. Continual reliance on excess E & D to supplement the budget will lead to structural deficits when that same level of E & D is not available the following year. As you can see by the chart below, since FY 13, the district has been working toward reducing its reliance on excess E & D as a budget management tool.



- b. To mitigate the structural deficit caused by the loss of \$414,359 in surplus E & D for FY 16, the district will apply \$250,000 of residual E & D funds to reduce assessments. The district will most likely do the same next year, with the hope of closing each year with no excess E &D by FY 18.

IV. Increased percentage of member towns' enrolled students

- a. A less obvious factor in determining each member town's assessment is the town's required contribution calculation. For 2016 the required contribution level rose for all but three member towns. The member town's required contribution comprises about 77% of each town's total assessment.

Required contribution % of Municipality's Total Foundation

	<u>FY16 Actual</u>	<u>FY 15 Actual</u>	<u>FY 14 Actual</u>
Avon	13.04%	11.89%	11.07%
Braintree	4.43%	4.10%	4.10%
Canton	3.11%	3.25%	3.13%
Dedham	4.45%	4.36%	3.15%
Holbrook	15.97%	14.30%	14.62%
Milton	2.25%	2.21%	2.13%
Norwood	2.18%	2.73%	2.67%
Randolph	10.20%	10.77%	10.90%
Westwood	0.49%	0.33%	0.33%

- b. One factor driving the required contribution increase is the number of students attending Blue Hills as a percent of the town's total enrolled population. An increase in the percent of students attending Blue Hills versus the total of all attending students drives more of a town's chapter 70 funding to the required regional contribution. This factor along with increasing enrollment in Blue Hills from all but two towns is one driving force behind increased assessments. The arrows in the chart below show the trends in enrollment percentages.

	2016 % of total enrolled students (all schools) enrolled at Blue Hills	2015 % of total enrolled students (all schools) enrolled at Blue Hills	2014 % of total enrolled students (all schools) enrolled at Blue Hills
Avon	9.60%	7.73%	7.12%
Braintree	2.86%	2.54%	2.52%
Canton	1.95%	1.98%	1.92%
Dedham	2.95%	2.78%	2.01%
Holbrook	12.84%	9.84%	10.05%
Milton	1.35%	1.31%	1.28%
Norwood	1.43%	1.77%	1.81%
Randolph	7.80%	7.58%	7.70%
Westwood	0.29%	0.19%	0.19%

V. 9C Cuts to Regional Transportation Reimbursement

- a. The 2015 governor's cuts to regional transportation reimbursement impacts the total member town assessments by about \$200,000. In FY 15, Blue Hills fully budgeted its transportation cost without including the potential increase in regional transportation reimbursement. Blue Hills' plan for the use of the additional reimbursement it would have received in 2015 was to place those dollars into a revolving fund and to use them to provide additional assessment relief to the member communities in 2016.
- b. Another impact of the loss of reimbursement is that Blue Hills had to be conservative in building its 2016 transportation budget and in estimating the state reimbursement it could receive in 2016. Should additional transportation reimbursement actually be received by the district in 2016, Blue Hills will use that to offset the 2017 assessments.

Summary

Blue Hills will continue to work hard to keep each year's operating increase to minimal levels and to reduce the reliance on excess E & D to decrease assessments.

The numbers presented in the current Assessment Worksheets are built based on level funding of Chapter 70 Aid as well as level funding of each town's required contribution. We believe that once the state settles on Chapter 70 funding levels, we should be able to reduce each town's assessment.

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FY15-16 Budget Summary

3/5/2015

Blue Hills Regional Technical High School Budget (Operating and Maintenance)		17,875,533	
Capital Improvement		650,000	
Total Blue Hills RTHS Budget 2.8% increase		18,525,533	
State funding			
Projected Chapter 70 Aid @ Level Funding	4,202,725		
Projected Transportation Aid @ 64%	561,328		
state funding subtotal		4,764,053	
Local funding			
2016 Required Reduction - Surplus E & D	333,171		
Additional E & D	250,000		
local funding subtotal		583,171	
Regional funding			
Blue Hills HS Assessments to Member Towns	13,178,309		
regional funding subtotal		13,178,309	
Total Blue Hills HS Funding Sources		18,525,533	
Blue Hills Regional - School to Careers Budget			
		150,130	
Local sources (grants, business contributions, reserve)		12,241	
Regional funding (assessments to 7 towns)		137,889	
Total Blue Hills RTHS Budget		18,525,533	
Total Blue Hills STC Funding Sources		150,130	
Total Blue Hills Regional Vocational School District Budget		18,675,663	
Analysis of operating budget line items			
	FY 15	FY 16	Change
Salaries (all employees)	9,845,625	10,380,632	535,007
Fuel Oil, Natural Gas, Electricity, Water & Telph.	719,000	832,000	113,000
Capital Improvements	667,189	650,000	-17,189
Day Transportation	947,379	1,033,000	85,621
Health, Life Insurance,	2,848,014	2,990,199	142,185
Non-Employee Insurance, Other	143,000	142,500	-500
Non-Instructional Retirement Contribution, Medicare	595,222	612,170	16,948
Workers Comp, School Accident, Unemployment	236,000	187,500	-48,500
All Other Lines	2,025,658	1,697,532	-328,126
Debt Service Principal and Interest	-	-	-
TOTAL	18,027,087	18,525,533	498,446
Total BH Operating Budget Increase / Decrease	17,359,898	17,875,533	515,635
Total Capital Budget Increase / Decrease	667,189	650,000	-17,189
Total BH Operating Budget Increase/Decrease	18,027,087	18,525,533	498,446
School to Careers	150,130	150,130	0
Total All Programs - Increase / Decrease	18,177,217	18,675,663	498,446

FY15-16 School and District Assessments Blue Hills #806

3/5/15

Towns	9-12 students 2013	% of students by town	9-12 students 2014	% of students by town	change in # of students, 14 to 15	% increase/decrease 14 to 15	FY16 Required Contribution Gov. Budget	Non-Reimb Transp. & Other Costs	Debt Service & Capital Costs	School to Careers FY15 assessment	Total Requested FY16 assessment	Total Requested FY15 assessment	Assessment Inc./(Decr.)	Percentage Inc./(Decr.)
Avon	45	5.4%	51	5.9%	6	13.3%	678,125	\$156,552	38,103	12,535	885,315	800,023	85,292	10.66%
Braintree	139	16.5%	159	18.3%	20	14.4%	1,860,888	\$488,073	118,793	0	2,467,754	2,143,378	324,376	15.13%
Canton	59	7.0%	63	7.2%	4	6.8%	854,918	\$193,387	47,069	25,071	1,120,445	1,098,642	21,804	1.98%
Dedham	77	9.2%	79	9.1%	2	2.6%	1,133,385	\$242,502	59,023	25,071	1,459,981	1,410,353	49,628	3.52%
Holbrook	133	15.8%	150	17.2%	17	12.8%	1,378,041	\$460,446	112,069	12,535	1,963,091	1,695,568	267,523	15.78%
Milton	49	5.8%	52	6.0%	3	6.1%	703,231	\$159,621	38,851	12,535	914,238	855,492	58,746	6.87%
Norwood	59	7.0%	50	5.7%	-9	-15.3%	703,564	\$153,482	37,356	25,071	919,473	1,118,435	(198,961)	-17.79%
Randolph	272	32.4%	257	29.5%	-15	-5.5%	2,421,489	\$788,898	192,011	25,071	3,427,469	3,506,777	(79,307)	-2.26%
Westwood	7	0.8%	9	1.0%	2	28.6%	124,080	\$27,627	6,724	0	158,431	105,640	52,791	49.97%
Totals	840	100.0%	870	100.0%	30	3.6%	\$9,857,721	\$2,670,588	650,000	\$137,889	\$13,316,198	\$12,734,306	\$581,892	4.57%

Assessment less STC \$13,178,309

	2015	2016		Required Contribution Calculations as a % of municipalities total FY 16 Foundation			
				FY16 Actual	FY 15 Actual	FY 14 Actual	
Budget	18,027,087	18,525,533	2.8%				13,178,309 Assessments
Required Cont.	9,688,001	9,857,721	1.8%	Avon	13.04%	11.89%	4,202,725 Chpt. 70
Ch.70	4,130,304	4,202,725	1.8%	Braintree	4.43%	4.10%	561,328 Transportation
Transportation	553,140	561,328	64%	Canton	3.11%	3.13%	333,171 Excess E & D
Surplus E&D	747,530	333,171		Dedham	4.45%	3.15%	250,000 Addl. E & D
Additional E & D		250,000		Holbrook	15.97%	14.30%	18,525,533 BH Operating Budget
Capital	893,339	650,000		Milton	2.25%	2.13%	\$137,889 S 2 C Assessment
Non Reimb and other	2,481,321	2,670,588		Norwood	2.18%	2.67%	12,241 S 2 C grants
Assessment	12,224,205	13,178,309		Randolph	10.20%	10.90%	18,675,663 Total Budget
				Westwood	0.49%	0.33%	\$13,316,198 Total Assessment

Assessment History

	Proposed FY 16	FY 15	FY 14	FY 13	FY12	FY 11	FY 10	FY 09
Avon	885,315	800,023	708,548	570,722	669,746	583,786	714,663	784,043
Braintree	2,467,754	2,143,378	2,130,748	1,801,174	1,759,902	1,629,239	1,557,980	1,833,089
Canton	1,120,445	1,098,642	1,059,042	1,173,074	1,337,865	1,460,438	1,321,631	1,253,270
Dedham	1,459,981	1,410,353	973,390	910,376	842,648	700,877	676,824	794,250
Holbrook	1,963,091	1,695,568	1,727,408	1,691,174	1,748,022	1,862,511	1,813,861	1,630,687
Milton	914,238	855,492	842,454	790,275	799,513	634,905	698,307	658,395
Norwood	919,473	1,118,435	1,134,802	1,210,598	1,139,808	979,698	884,091	903,203
Randolph	3,427,469	3,506,777	3,546,167	3,897,390	4,126,068	4,223,398	3,903,264	3,783,674
Westwood	158,431	105,640	101,646	49,358	151,228	183,964	185,683	173,379
	13,316,198	12,734,308	12,224,205	12,094,141	12,574,800	12,258,816	11,756,304	11,813,990

Dollar Change in Year-to-Year Assessments

	Proposed FY 16	FY 15	FY 14	FY 13	FY12	FY 11	FY 10	7 year net change
Avon	85,292	91,475	137,826	(99,024)	85,960	(130,877)	(69,380)	101,272
Braintree	324,376	12,630	329,574	41,272	130,663	71,259	(275,109)	634,665
Canton	21,803	39,600	(114,032)	(164,791)	(122,573)	138,807	68,361	(132,825)
Dedham	49,628	436,963	63,014	67,728	141,771	24,053	(117,426)	665,731
Holbrook	267,523	(31,840)	36,234	(56,848)	(114,489)	48,650	183,174	332,404
Milton	58,746	13,038	52,179	(9,238)	164,608	(63,402)	39,912	255,843
Norwood	(198,962)	(16,367)	(75,796)	70,790	160,110	95,607	(19,112)	16,270
Randolph	(79,308)	(39,390)	(351,223)	(228,678)	(97,330)	320,134	119,590	(356,205)
Westwood	52,791	3,994	52,288	(101,870)	(32,736)	(1,719)	12,304	(14,948)
	\$ 581,890	\$ 510,103	\$ 130,064	\$ (480,659)	\$ 315,984	\$ 502,512	\$ (57,686)	\$ 1,502,208

Percent Change in Year-to-Year Assessments

	Proposed FY 16	FY 15	FY 14	FY 13	FY12	FY 11	FY 10	7 year net change	
Avon	10.7%	12.9%	24.1%	-14.8%	14.7%	-18.3%	-8.8%	12.9%	
Braintree	15.1%	0.6%	18.3%	2.3%	8.0%	4.6%	-15.0%	34.6%	
Canton	2.0%	3.7%	-9.7%	-12.3%	-8.4%	10.5%	5.5%	-10.6%	
Dedham	3.5%	44.9%	6.9%	8.0%	20.2%	3.6%	-14.8%	83.8%	
Holbrook	15.8%	-1.8%	2.1%	-3.3%	-6.1%	2.7%	11.2%	20.4%	
Milton	6.9%	1.5%	6.6%	-1.2%	25.9%	-9.1%	6.1%	38.9%	
Norwood	-17.8%	-1.4%	-6.3%	6.2%	16.3%	10.8%	-2.1%	1.8%	
Randolph	-2.3%	-1.1%	-9.0%	-5.5%	-2.3%	8.2%	3.2%	-9.4%	
Westwood	50.0%	3.9%	105.9%	-67.4%	-17.8%	-0.9%	7.1%	-8.6%	
			Seven-Year Average Change				1.8%		13%

The green boxes represent years where the \$ or % amounts were higher than the projected FY 16 assessment

Chapter 70 Enrollment History

	FY 16	FY 15	FY 14	FY 13	FY12	FY 11	FY 10	FY 09
Avon	51	45	40	32	39	33	43	46
Braintree	159	139	139	123	118	112	111	128
Canton	63	59	58	70	79	87	83	79
Dedham	79	77	56	50	46	39	39	45
Holbrook	150	133	132	133	135	144	149	140
Milton	52	49	49	48	48	39	45	43
Norwood	50	59	64	69	64	57	55	55
Randolph	257	272	272	306	311	320	306	303
Westwood	9	7	6	3	9	11	12	11
	870	840	816	834	849	842	843	850

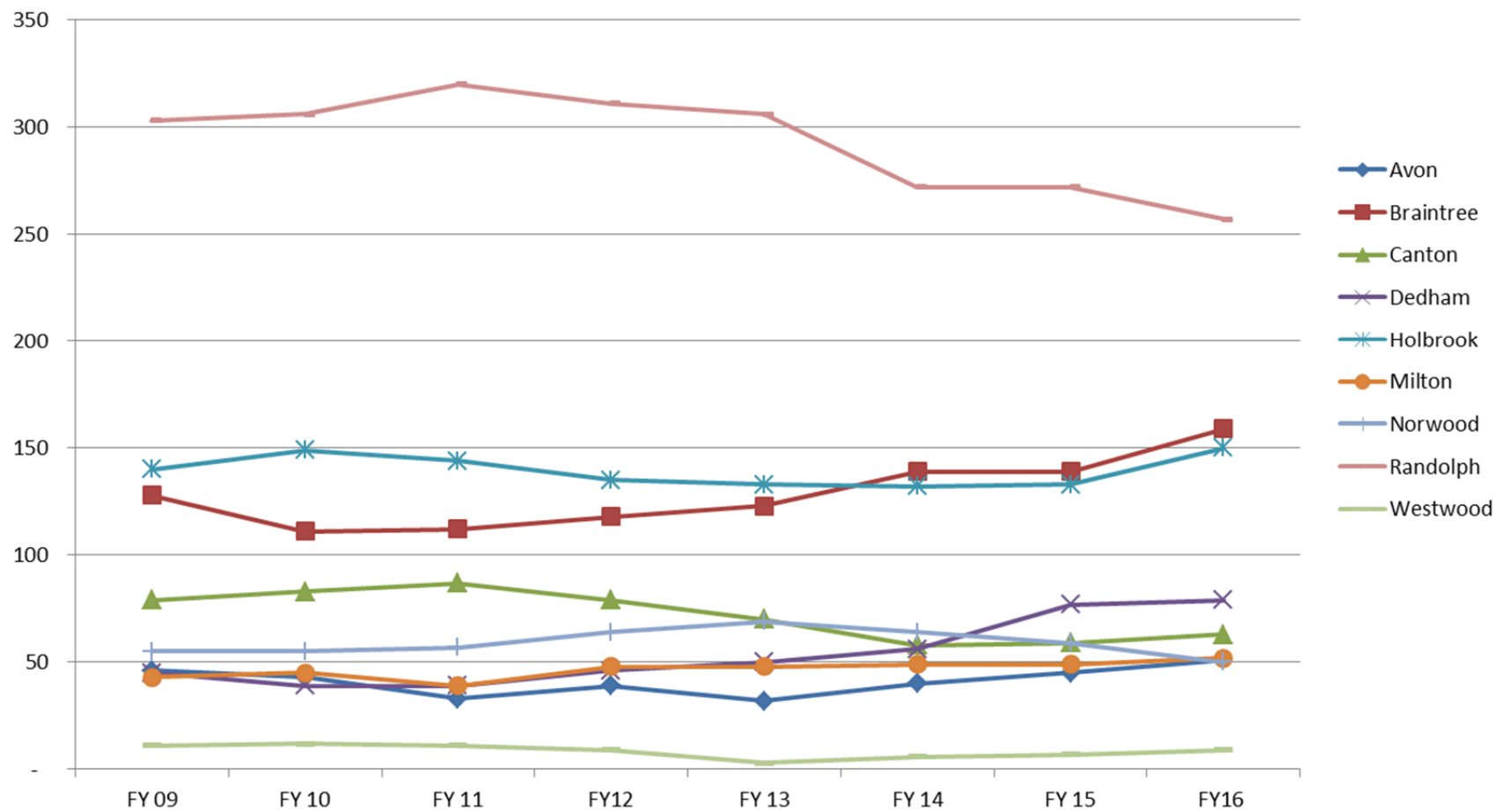
Enrollment Changes Over Time 3, 5, & 7 years

	Last 3 years Enrollment change	Last 3 years % Change	Last 5 years Enrollment change	Last 5 years % Change	Last 7 years Enrollment change	Last 7 years % Change
Avon	11	28%	12	31%	8	19%
Braintree	20	14%	41	35%	48	43%
Canton	5	9%	(16)	-20%	(20)	-24%
Dedham	23	41%	33	72%	40	103%
Holbrook	18	14%	15	11%	1	1%
Milton	3	6%	4	8%	7	16%
Norwood	(14)	-22%	(14)	-22%	(5)	-9%
Randolph	(15)	-6%	(54)	-17%	(49)	-16%
Westwood	3	50%	-	0%	(3)	-25%
	54	7%	21	2%	27	3%

Assesment Changes Over Time 3, 5, & 7 years

	Last 3 years \$ increase	Last 3 years % increase	Last 5 years \$ increase	Last 5 years % increase	Last 7 years \$ increase	Last 7 years % increase
Avon	314,593	55%	301,529	52%	101,272	13%
Braintree	666,580	37%	838,515	51%	634,665	35%
Canton	(52,629)	-4%	(339,993)	-23%	(132,825)	-11%
Dedham	549,605	60%	759,104	108%	665,731	84%
Holbrook	271,917	16%	100,580	5%	332,404	20%
Milton	123,963	16%	279,333	44%	255,843	39%
Norwood	(291,125)	-24%	(60,225)	-6%	16,270	2%
Randolph	(469,921)	-12%	(795,929)	-19%	(356,205)	-9%
Westwood	109,073	221%	(25,533)	-14%	(14,948)	-9%
	\$ 1,222,057	10%	\$ 1,057,382	9%	\$ 1,502,208	13%

Chapter 70 Enrollment Trends



Changes in Enrollment and Assessment

	Change over Last 3 Years	% Change over Last 3 Years	Change over Last 5 Years	% Change over Last 5 Years	Change over Last 7 Years	% Change over Last 7 Years
Avon						
Enrollment	11	28%	12	31%	8	19%
Assessment	\$ 314,593	55%	\$ 301,529	52%	\$ 101,272	13%
Braintree						
Enrollment	20	14%	41	35%	48	43%
Assessment	\$ 666,580	37%	\$ 838,515	51%	\$ 634,665	35%
Canton						
Enrollment	5	9%	(16)	-20%	(20)	-24%
Assessment	\$ (52,629)	-4%	\$ (339,993)	-23%	\$ (132,825)	-11%
Dedham						
Enrollment	23	41%	33	72%	40	103%
Assessment	\$ 549,605	60%	\$ 759,104	108%	\$ 665,731	84%
Holbrook						
Enrollment	18	14%	15	11%	1	1%
Assessment	\$ 271,917	16%	\$ 100,580	5%	\$ 332,404	20%
Milton						
Enrollment	3	6%	4	8%	7	16%
Assessment	\$ 123,963	16%	\$ 279,333	44%	\$ 255,843	39%
Norwood						
Enrollment	(14)	-22%	(14)	-22%	(5)	-9%
Assessment	\$ (291,125)	-24%	\$ (60,225)	-6%	\$ 16,270	2%
Randolph						
Enrollment	(15)	-6%	(54)	-17%	(49)	-16%
Assessment	\$ 469,921	-12%	\$ (795,292)	-19%	\$ (356,205)	-9%
Westwood						
Enrollment	3	50%	-	0%	(3)	-25%
Assessment	\$ 109,073	221%	\$ (25,533)	-14%	\$ (14,948)	-9%