



**Proposed 2015 – 2016
Operating Budget**

2/23/2015
V3.2

Blue Hills Regional Community Members:

For the fiscal year beginning July 1, 2016, the Blue Hills District administration focused on building an effective budget that is both responsible and realistic.

Responsible in the sense that it addresses the numerous and unique needs of the individual students in advancing the district toward its long-term goals and mission and

Realistic in the sense that it is built with the full knowledge and understanding of the economic factors that generate revenue for the member towns and the district.

The budget presented in these pages is designed to meet the needs of the students, while taking steps to reduce the financial request from each of the member towns. This budget is explicitly tied to the district strategic plan as well as the district's focused strategic goals for the next two years.

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 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 district realizes that in order to grow to meet the needs of its students it also must make sacrifices to keep cost increases in line with revenue growth; therefore the district was very aggressive in its approach to budgeting for many expense-related items. Employee benefit costs were increased by only 2%. Despite anticipated increases of 25% in utility costs, the district aggressively only budgeted an increase of 15%. Many of the district's supply lines were reduced as part of the effort to reduce the budget. Transportation and utility costs were the biggest drivers of budgetary increases on the expense side.

The following pages provide additional information on the 2016 Blue Hills Regional Technical High School Budget. Should you have any questions about the material contained herein, please do not hesitate to contact us.

Sincerely,

Jim Quaglia
Superintendent – Director

Steven Moore
Assistant Superintendent for Business and Personnel

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2014 – 2016 Focused Strategic Goals:

All budget activity must be directly linked to the Focused Strategic Goals for 2014 – 2016. While, many budget items are related to the maintenance of existing programs those activities /programs/ positions/ materials will be evaluated for its impact toward addressing the four Focused Strategic Goals before being funded for 2015 -2016. Certainly any new proposals must be rooted in these goals as well as tied to an identified need through the need assessment process.

- 1. Program Improvement**
- 2. Student Achievement**
- 3. Literacy Across Disciplines**
- 4. Technological Implementation & Integration**

Program Improvement – The core academics are in a state of flux presently. The administration and teachers together are working to adjust the Curriculum, Instruction, and Assessments to the next-generation of assessments, such as PARCC. These assessments require a deeper understanding of content relative to the knowledge taxonomy. Also, vocational programs are charged with improving their curriculum and delivery in light of a new age of accountability. They must continue to stay relevant to their representative industry.

Student Achievement – We are faced for a second time with Level II Accountability status. BHR will have to perform well for two years in a row to move back to Level 1 status. This will take a concerted effort by all stakeholders and will focus on the performance of subgroups and mathematics.

Literacy Across All Disciplines – Literacy is the ‘spine’ of what comes from academics. While continually reflecting on what it means to be able to read, write, and communicate effectively and intelligently, we are aware that literacy must have a strong foundation within our Vocational programs. It is imperative that all students communicate effectively in their chosen trade or profession.

Technological Implementation & Integration – The one-to-one era has rooted itself at BHR. Now that each student and instructor has instructional and educational technology at their fingertips, we will continue to facilitate effective use of technology, as well as integrating those uses into effective delivery of content and production of student work.

2016 Blue Hills Operating Budget by DESE Account

SALARY ACCOUNTS	2015 Actual	2016 Request	Change from 2015 \$	Change from 2015 %
1000 DISTRICT LEADERSHIP AND ADMINISTRATION	763,226	783,823	20,597	2.7%
2000 INSTRUCTION	7,636,326	8,009,202	372,876	4.9%
3000 STUDENT SERVICES	398,573	439,084	40,511	10.2%
4000 OPERATIONS and MAINTENANCE OF PLANT	1,047,500	1,150,523	103,023	9.8%
TOTALS	\$9,845,625	\$10,382,632	\$537,007	5.5%
EXPENSE ACCOUNTS	2015 Actual	2016 Request	Change from 2015 \$	Change from 2015 %
1000 DISTRICT LEADERSHIP AND ADMINISTRATION	394,300	354,700	(39,600)	-10.0%
2000 INSTRUCTION	660,352	611,232	(49,120)	-7.4%
3000 STUDENT SERVICES	1,151,582	1,238,100	86,518	7.5%
4000 OPERATIONS and MAINTENANCE OF PLANT	1,186,653	1,316,500	129,847	10.9%
5000 FIXED CHARGES	3,895,236	3,972,369	77,133	2.0%
7000 CAPITAL PROJECTS	893,339	650,000	(243,339)	-27.2%
TOTALS	\$8,181,462	\$8,142,901	-\$38,561	-0.5%
TOTAL ALL ACCOUNTS	\$18,027,087	\$18,525,533	\$498,446	2.8%

Salary Accounts

Salary accounts reflect the change from the 2015 budget, so some of the increases and or decreases are not true reflections of the actual increase in budget or individual salaries.

SALARY ACCOUNTS	2015 Actual	2016 Request	Change from 2015 \$	Change from 2015 %
1000 DISTRICT LEADERSHIP AND ADMINISTRATION	763,226	783,823	20,597	2.7%
2000 INSTRUCTION	7,636,326	8,009,202	372,876	4.9%
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In total, the salary budget for the district will rise by 5.5%. The majority of that increase can be directly attributed to the addition of 5.3 new FTEs to the district.

Total Positions	2015 FTE	2016 FTE	Proposed FTE + or - 2015
Instructional Staff	92	96.5	4.5
Facilities and IT Staff	21.5	22.3	0.8
Administrative Staff	11.7	11.7	0
Administrative Support Staff	12.5	12.5	0
Total	137.7	143	5.3

The cost of the new positions makes up 60% of the increase in total salaries for 2016, while contractual raises for staff make up the other 40%. Without the new positions, salaries would have only increased by 2.2%.

FY 16 Salary Increase over FY 15 Budgeted	\$535,007	5.5%
FY 16 Cost of 5.3 FTE New Staff	\$321,383	3.3%
FY 16 Cost of All Contractual Raises	\$213,624	2.2%

The Need for Increased Staffing

The district has built 4.5 new instructional positions into the budget. These new teaching positions are tied directly to the district's Focused Strategic Goals of continual program improvement, increased student achievement levels, teaching literacy across all disciplines, and improved technology implementation and integration. The proposed positions also address the district's Long-Term Goals of providing quality technical education programs to all students, challenging each student to achieve their highest academic potential, and meeting the diverse learning needs of all students within the regular education setting.

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.

A. The following are some of the identified needs addressed through the addition of 3.5 Academic Teachers

- 1 FTE English Teacher
- 1 FTE Math Teacher
- 1 FTE Social Studies Teacher
- 0.5 FTE Physical Education Teacher

- a. Changes to the school master schedule and teaching schedule requires additional staffing to keep class sizes within the desired/contractual limits, and to maintain as well as increase student achievement through class size management.
- b. Enrollment increases will require additional staffing to keep class sizes within desired limits, as part of an effort to maintain/increase student achievement levels by maintaining current class size levels.
- c. The district desires to meet the student's needs for a wider array of academic offerings. These positions will allow for increased elective offerings. New course offerings include courses in physics, astronomy, journalism, world poetry, criminology, 21st century computer skills, college writing, public speaking, and entrepreneurship.
- d. To reinforce the relationship between the academic and vocational programs, a course that emphasizes entrepreneurship and business acumen needs to be offered. Such a course will help students develop an understanding of the link between vocational and academic knowledge. The additional positions can accommodate this need.
- e. The School Improvement Plan has set an accountability goal of an 8% increase in math proficiency by 2017. Accomplishment of this goal is one important element in putting the

school on track to return to level 1 status. The addition of a math teacher would help maintain small class sizes in grades 9 & 10, which are important MCAS prep years.

- f. An increase in English staffing will allow the school to target students struggling with literacy development and English language acquisition to improve both their academic and technical literacy.
- g. The addition of a sixth social studies teacher would keep social studies teachers from serving classes in excess of 27 students during the freshman/junior weeks. The new position would also contribute to increased elective offerings during the sophomore/senior weeks.
- h. The additional 0.5 FTE physical education teacher is needed to reduce class sizes, as well as facilitate removing scheduling conflicts.

B. Identified needs addressed through the addition of 1 FTE Criminology/Protective Service Vocational Teacher

- a. A recent labor market analysis (Partnership for a Skilled Workforce) prepared for Blue Hills indicated that the Protective Service vocation is forecast to have steady employee needs and job growth for the next several decades.
- b. Blue Hills can successfully prepare students for work in the field upon graduation.
- c. A protective services offering would add to the diversity of programs offered at BHR, as there is minimal overlap with other existing programs.
- d. During the programs first year, the instructor would teach protective services during the freshman week and provide an elective option on non-freshman weeks.
- e. During the program's first year, time would be allocated for the teacher to work on curriculum for years two through four of the program.

C. Identified needs addressed through the addition of 0.8 FTE Security Staff

- a. This position restores a security position that previously existed at BHR.
- b. The district does not currently provide overnight coverage Monday through Thursday and this position would restore such coverage.
- c. The addition of this position could reduce new benefit costs imposed by the Affordable Care Act by eliminating the need for increased hours for other security guards.

The following pages present the 2016 Operating Budget with explanation of significant changes in the budget.

1000 Series Salary

Description	2015 Budget	2016 Proposed	Change \$	Change %
1110 District School Committee	\$51,500	\$51,842	\$342	0.7%
1210 Superintendent	\$297,726	\$307,260	\$9,534	3.2%
1410 Business Office	\$294,000	\$306,452	\$12,452	4.2%
1450 District Technology	\$120,000	\$118,269	-\$1,731	-1.4%
1000 Totals	\$763,226	\$783,823	\$20,597	2.7%

There are no significant changes to district salaries. Variances from year-to-year are a result of differences between actual and budgeted salaries for 2015.

2000 Series Salary

Description	2015 Budget	2016 Proposed	Change \$	Change %
2210 School Leadership	\$315,600	\$328,353	\$12,753	4.0%
2220 Curriculum Leadership	\$681,173	\$697,887	\$16,714	2.5%
2305 Classroom Teachers	\$5,986,092	\$6,351,877	\$365,785	6.1%
2310 Teacher Specialist	\$18,000	\$16,000	-\$2,000	-11.1%
2315 Team Leaders	\$17,000	\$17,000	\$0	0.0%
2325 Substitutes	\$140,000	\$130,000	-\$10,000	-7.1%
2340 Library Media Specialist	\$57,000	\$64,191	\$7,191	12.6%
2353 Professional Development	\$35,000	\$20,000	-\$15,000	-42.9%
2357 Prof. Development Stipends	\$13,000	\$11,000	-\$2,000	-15.4%
2710 Guidance	\$259,188	\$250,118	-\$9,070	-3.5%
2800 Psychological Services	\$114,273	\$122,776	\$8,503	7.4%
2000 Totals	\$7,636,326	\$8,009,202	\$372,876	4.9%

The increase in the 2305 line is the direct result of the addition of the new teaching positions.

Increases in the 2210, 2340, and 2800 lines are the result of budget to actual variances in 2015 as well as contractual obligations.

Decreases in the remaining lines can be attributed to budget to actual variances in 2015, reductions in planned spending, or shifting of the financial burden to grants.

3000 Series Salary

Description	2015 Budget	2016 Proposed	Change \$	Change %
3100 Attendance	\$4,725	\$4,745	\$20	0.4%
3200 Health Services	\$73,500	\$78,144	\$4,644	6.3%
3510 Athletics	\$196,248	\$207,293	\$11,045	5.6%
3520 Other Student Activities	\$37,000	\$36,626	-\$374	-1.0%
3600 School Security	\$87,100	\$112,276	\$25,176	28.9%
3000 Totals	\$398,573	\$439,084	\$40,511	10.2%

Increases in accounts 3100 to 3520 are the result of contractual obligations.

The increase in the 3600 account is the result of restoring a (0.8 FTE) third-shift security position

4000 Series Salary

Description	2015 Budget	2016 Proposed	Change \$	Change %
4110 Custodial Services	\$407,700	\$447,891	\$40,191	9.9%
4210 Maintenance of Grounds	\$589,800	\$647,632	\$57,832	9.8%
4220 Maintenance of Buildings	\$50,000	\$55,000	\$5,000	10.0%
4000 Totals	\$1,047,500	\$1,150,523	\$103,023	9.8%
Total All Salary Accounts	\$9,845,625	\$10,382,632	\$537,007	5.5%

Increases to the accounts in the 4000 Series reflect variances between actual and budgeted in 2015 as well as contractual increases for 2016.

Expense Accounts

Understanding that there is a need for increased staffing, the district made every effort to reduce the impact of the much needed additional positions by aggressively budgeting for expense items.

EXPENSE ACCOUNTS	2015 Actual	2016 Request	Change from 2015 \$	Change from 2015 %
1000 DISTRICT LEADERSHIP AND ADMINISTRATION	394,300	354,700	(39,600)	-10.0%
2000 INSTRUCTION	660,352	611,232	(49,120)	-7.4%
3000 STUDENT SERVICES	1,151,582	1,238,100	86,518	7.5%
4000 OPERATIONS and MAINTENANCE OF PLANT	1,186,653	1,316,500	129,847	10.9%
5000 FIXED CHARGES	3,895,236	3,972,369	77,133	2.0%
7000 CAPITAL PROJECTS	893,339	650,000	(243,339)	-27.2%
TOTALS	\$8,181,462	\$8,142,901	-\$38,561	-0.5%

A breakdown of the major expense areas shows where the increases for the 2016 budget reside. Insurance, utilities, and transportation show increased costs, while other employee insurance and capital improvements show cost reductions. The majority of the decrease in the expense budget can be attributed to multiple small deductions in all the other budget lines.

Expense Budget by Major Category	FY15	FY16	Difference	%
Fuel Oil, Natural Gas, Electricity, Water & Telph.	719,000	832,000	113,000	15.7%
Capital Improvements	667,189	650,000	-17,189	-2.6%
Day Transportation	947,379	1,033,000	85,621	9.0%
Health, Life Insurance,	2,848,014	2,990,199	142,185	5.0%
Non-Employee Insurance, Other	143,000	142,500	-500	-0.3%
Non-Instructional Retirement Contribution, Medicare	595,222	612,170	16,948	2.8%
Workers Comp, School Accident, Unemployment	236,000	187,500	-48,500	-20.6%
All Other Lines	2,025,658	1,697,532	-328,126	-16.2%
Debt Service Principal and Interest	-	-	-	
TOTAL	8,181,462	8,144,901	-36,561	-0.4%

1000 Series Expense

Description	2015 Budget	2016 Proposed	Change \$	Change %
1110 District School Committee	\$53,800	\$56,200	\$2,400	4.5%
1210 Superintendent	\$89,500	\$88,000	-\$1,500	-1.7%
1410 Business Office	\$37,500	\$29,500	-\$8,000	-21.3%
1430 Legal Services	\$60,000	\$60,000	\$0	0.0%
1450 District Technology	\$153,500	\$121,000	-\$32,500	-21.2%
1000 Totals	\$394,300	\$354,700	-\$39,600	-10.0%

The increase in the 1110 line is related to the district school committee moving toward an electronic format for meeting agendas and materials.

The decrease in the 1410 line is based on a planned reduction in the use of contractual services.

The decrease in district technology is a result of the district entering into multiple year service and license agreements that need not be renewed annually – this line will increase next year.

2000 Series Expense

Description	2015 Budget	2016 Proposed	Change \$	Change %
2210 School Leadership	\$11,000	\$11,000	\$0	0.0%
2220 Curriculum Leadership	\$27,000	\$30,000	\$3,000	11.1%
2250 Building Technology	\$13,000	\$15,000	\$2,000	15.4%
2357 Prof. Development Stipends	\$21,000	\$16,000	-\$5,000	-23.8%
2410 Text and Instruct. Material	\$100,340	\$90,000	-\$10,340	-10.3%
2415 Other Instructional Materials	\$255,932	\$242,084	-\$13,848	-5.4%
2420 Instructional Equipment	\$133,880	\$135,478	\$1,598	1.2%
2430 General Supplies	\$30,000	\$25,000	-\$5,000	-16.7%
2440 Other Instructional Services	\$3,000	\$2,000	-\$1,000	-33.3%
2451 Instructional Technology	\$58,000	\$37,570	-\$20,430	-35.2%
2710 Guidance	\$4,200	\$5,100	\$900	21.4%
2720 Assessment	\$3,000	\$2,000	-\$1,000	-33.3%
2000 Totals	\$660,352	\$611,232	-\$49,120	-7.4%

With the district purchasing Chrome Books for the entire student body in FY14, reductions can be made in the 2410, 2440, 2430, and 2415 lines of the budget. In future years, these lines may increase again. Over time the district should see a funding shift from the text and material line to the instructional technology line.

Many district professional development costs will be funded through grants in 2016.

3000 Series Expense

Description	2015 Budget	2016 Proposed	Change \$	Change %
3200 Health Services	\$7,200	\$7,000	-\$200	-2.8%
3300 Transportation	\$947,379	\$1,033,000	\$85,621	9.0%
3510 Athletics	\$171,003	\$172,100	\$1,097	0.6%
3520 Other Student Activities	\$26,000	\$26,000	\$0	0.0%
3000 Totals	\$1,151,582	\$1,238,100	\$86,518	7.5%

Transportation cost increases and uncertain state regional transportation reimbursement levels are the reason for increases in the 3300 line.

4000 Series Expense

Description	2015 Budget	2016 Proposed	Change \$	Change %
4110 Custodial Services	\$56,500	\$59,500	\$3,000	5.3%
4130 Utility Services	\$719,000	\$832,000	\$113,000	15.7%
4210 Maintenance of Grounds	\$20,000	\$20,000	\$0	0.0%
4220 Maintenance of Buildings	\$317,118	\$319,000	\$1,882	0.6%
4225 Maint. of Security System	\$10,000	\$10,000	\$0	0.0%
4230 Maintenance of Equipment	\$64,035	\$76,000	\$11,965	18.7%
4000 Totals	\$1,186,653	\$1,316,500	\$129,847	10.9%

Increases in utility costs are the single biggest non-salary increase in the FY16 proposed budget. The nearly 16% increase is considered aggressive by the district as costs could rise as much as 25% above 2015 budget levels.

Increases were built into the budget (4230) for increased maintenance of vocational equipment, but this was offset with the shifting of some additional (minimal) expenses to each program's shop account.

5000 Series Expense

Description	2015 Budget	2016 Proposed	Change \$	Change %
5100 Employee Retirement	\$595,222	\$612,170	\$16,948	2.8%
5200 Insurance Programs	\$1,780,912	\$1,787,442	\$6,530	0.4%
5250 Insurance for Retired Emp.	\$1,328,102	\$1,385,257	\$57,155	4.3%
5260 Other Non-Emp. Insurance	\$143,000	\$142,500	-\$500	-0.3%
5300 Rental Lease of Equipment	\$48,000	\$45,000	-\$3,000	-6.3%
5000 Totals	\$3,895,236	\$3,972,369	\$77,133	2.0%

The increase in the 5100 account is based on the district's latest PERAC review.

Blue Hills is a member of the GIC group. GIC has stated that rate increases for 2016 could be in the 5% to 9% range. The district budgeted on the lower end of GIC estimates.

Other insurances such as workman compensation and unemployment insurance were budgeted at aggressively low levels.

7000 Series Expense

Description	2015 Budget	2016 Proposed	Change \$	Change %
7200 Improvement of Sites	\$600,000	\$0	-\$600,000	-100.0%
7300 Improvement of Buildings	\$67,189	\$650,000	\$582,811	867.4%
7300 Improvement of Equipment	\$226,150	\$0	-\$226,150	-100.0%
7000 Totals	\$893,339	\$650,000	-\$243,339	-27.2%
Total All Expense Accounts	\$8,181,462	\$8,142,901	-\$38,561	-0.47%

Now that improvements have been completed to the district's athletic fields, the focus of district capital projects shifts from site work to building work. Repairs to the building infrastructure will be the focus of the district's capital projects. Items such as the electrical system, HVAC, installation of ADA-compliant door knobs and new lock sets, along with abatement issues top the list of projects for the next few years. A full list of capital projects schedule can be found on the next page.

As a note to the future, the district is working with the MASBA on a potential major renovation project to occur within the next year or two.

Capital Projects Plan (Summary): 2015 - 2018

Fiscal Year	Priority	Project Title	Estimated Cost	Funding Source	Status	Internal Project or Bid?	Next Action Steps
FY15-16	High	SWITCHGEAR Replace electrical switchgear in the original part of the campus	300K	FY15 Capital Improvement Funds	Planning	Internal Project	Utilize Square D engineering to design switchgear (proprietary design based on Sq. D used throughout campus), spec & bid installation.
FY16	High	CHILLER REPLACEMENT Replace fifty-ton rooftop chiller in the academic wing; and expand A/C coverage to Lecture Hall	200K	FY16 Capital Improvement Funds	Planning	Bid Project	DRA-TMP design, spec & bid replacement unit. Explore options of expanding a/c to Lecture Hall.
FY16	High	CHILD CARE FLOOR ABATEMENT Removal, asbestos abatement, and replacement of tile floor in the Early Ed & Care Program	30K	FY16 Capital Improvement Funds	Planning	Internal Project	Cardno-ATC test, design abatement plan and spec. Internal bid for cert. abatement co. Purchase VCT and install upon abatement completion
FY16	Medium	LOCKSET REPLACEMENT Replace interior locksets school-wide with a tiered access system using lever handle locks	100K	FY16 Capital Improvement Funds	Planning	Internal Project	Develop a final plan with Admin. involvement. Actual cost depends on final design, if we purchase from state vendor and install with in-house staff (or sub contract). Final plans review and acceptance of Bldg Insp. for H/P compliance.
FY16	Medium	TANK REMOVAL/ABATEMENT Removal of asbestos from old hot water tanks; demo tanks	75K	FY16 Capital Improvement Funds	Planning	Internal Project	Cardno-ATC test, design abatement plan and spec. Internal bid for cert. abatement co. Recommend we bid all abatement work together. Bid for demo and removal of tanks and associated piping
FY16	Low	DVC STUDIO BUILDOUT Remove interior block walls in Graphics; Remove hard plaster ceiling; remove and replace old heaters and ductwork	50K	FY16 Capital Improvement Funds	Planning	Internal Project	Explore space, ceiling, HVAC system and options with users. Demo hard ceiling over Feb. break
FY16	Low	OTHER A/C SYSTEMS Replace A/C units in the Cosmetology program. Replace A/C in Front Admin wing and expand for coverage of offices.	150K	FY16 Capital Improvement Funds	Planning	Bid Project	Get pricing from our HVAC contractor to remove 3 existing units and install replacement units. Admin. Wing would need DRA/TMP eng. work for one rooftop unit and ductwork for wing.

Fiscal Year	Priority	Project Title	Estimated Cost	Funding Source	Status	Internal Project or Bid?	Next Action Steps
FY15 - FY18?	High	MSBA Statement of Interest: Building Envelope work: Windows and entries with related work	20 Million, Rough estimate	Multi-year, Capital Project (requires bonding & MSBA reimbursement)	To be filed in February of 2015	Bid Project, once picked up by MSBA	Preparing to file a new Statement of Interest with MSBA under the Accelerated Repair Program.