

BUDGET GUIDANCE OVERVIEW

Town of Hollis, NH

&

Hollis School District

2012-2013

Budget Guidance & Bias

- Process
 - Consider Data (Town, School, Economic, Comparative, Public Inputs) & Needs vs. Ability and Economic Stress
 - Provide biases and concerns to guide development
 - Provide Guidance Multiplier (percentage change)
 - Guidance may change and is based on imperfect and incomplete information. While striving to provide consistent guidance to budget formulators, the BudCom reserves the right to amend guidance in response to changing conditions, better information and new inputs, and support a different budget than is submitted by the Selectman or School Board. We try to avoid surprises by doing two complete reviews prior to the Public Hearing.

Assumptions for Guidance & Bias

- Economy doesn't get worse, doesn't return to recession
- Infrastructure maintenance cost much more if deferred.
 - Concern that we are not keeping up on facilities & roads
- Town: Priorities need to reflect adequate public safety first, statutory obligations second, critical infrastructure maintenance third, others after.
- School: We want a high quality education for Hollis children
 - Class size driven by Hollis School Board Education Specifications
- Core Inflation (long term average) remains $< 2\%$
- Valuation increases $\approx 0.1\% = \text{Flat}$

Biases

- Fix structural issues that can have a long term benefit to the budget (e.g. medical and retirement plans, etc)
- Manage the number of employees (adding people adds to the budget in multiple ways)
- Staffing and Budgets should, over time, show linkage to the trends of student population, Town population, other key metrics
- Contracting for services should be more frequently considered, and evaluated against the fully loaded long term costs of in house services.
- Efficiencies & staffing – Reduce expensive OT (1.5X regular cost)

Guidance – How it works

Prior Year's Operating Budget

- Debt Service (Principle and interest of bonded debt)
- In/Outs (e.g. DPW Block Grant, Special Education)
- One time outlays (e.g. FY2011 Library roof \$40K)

= Prior Year Guidance Base Budget

X BudCom Guidance Multiplier (e.g. -3.0%, 0%, +2.0%)

= Upcoming Year Base Budget

+ Debt Service

+ In/Outs (e.g. DPW Block Grant, Special Education)

= Upcoming Year Guidance Operating Budget

Portion of School Guidance Spreadsheet

1	B	C	D	E	F	G	H	I	J	K	L
2	Hollis School District Budget Committee Guidance Formula										
3											
4	① Listing of budget totals by MS-22 account functions (* Updated with MS-27 information)										
5											Proposed
6	<u>Warrant Article Description</u>		<u>FY2007</u>	<u>FY2008*</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013*</u>	<u>FY2014</u>	
7	Operating Budget		9,770,532	10,552,176	10,905,573	11,045,040	11,262,489	10,677,678	9,840,825		
8	SAU Facility Maint. Fund		-	17,282	8,000	8,000	8,000	8,000	8,000		
9	Bldg Maint. Expend. Trust		-	79,600	73,632	75,266	71,000	4,000	290,483		
10	SAU Budget Assessment		-	-	-	-	-	-	371,440		
11	Prof. Staff Salary / Benefits		227,929	143,642	245,083	157,137	-	-	218,899		
12	Support Staff Salary / Benefits		64,703	87,895	90,056	40,230	-	-	38,525		
13	Total Approved Appropriations		10,063,164	10,880,595	11,322,344	11,325,673	11,341,489	10,689,678	10,768,172		
14											
15	② Subtract amounts outside of guidance to arrive at Guidance Base										
16											Proposed
17											FY2014
18			<u>FY2007</u>	<u>FY2008*</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013*</u>	<u>FY2014</u>	
19	Total Approved Appropriations		10,063,164	10,880,595	11,322,344	11,325,673	11,341,489	10,689,678	10,768,172	-	
20	Special Revenue		(122,041)	(122,041)	(130,000)	(130,000)	(148,768)	(163,525)	(147,500)		
21	Food Service		(283,413)	(302,087)	(335,610)	(325,000)	(325,000)	(204,000)	(214,231)		
22	SAU Facility Maint. Fund		-	(17,282)	(8,000)	(8,000)	(8,000)	(8,000)	(8,000)		
23	Debt Service		(423,799)	(402,988)	(397,431)	(391,778)	(386,076)	(380,330)	(374,535)		
24	Special Ed - non admin		(1,760,826)	(1,775,098)	(1,769,616)	(1,969,930)	(2,019,271)	(1,856,409)	(1,673,283)		
25	SAU Budget Assessment		(365,845)	(367,067)	(384,435)	(386,271)	(414,342)	(399,934)	(371,440)		
26	Guidance Base		7,107,240	7,894,032	8,297,252	8,114,695	8,040,032	7,677,480	7,979,183		
27											
28	③ Calculate the amount of guidance increase to arrive at Current-Year Guidance Base										
29											Proposed
30											FY2014
31			<u>FY2007</u>	<u>FY2008*</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013*</u>	<u>FY2014</u>	
32	Prior-Year Guidance Base			7,107,240	7,894,032	8,297,252	8,114,695	8,040,032	7,677,480	7,979,183	
33	BudCom Guidance % Change			3.9%	1.8%	0.0%	-2.0%	0.0%	-3.0%		
34	BudCom Guidance \$ Change			277,182	142,093	-	(162,294)	-	(230,324)		
35	Current-Year Guidance Base			7,384,423	8,036,124	8,297,252	7,952,401	8,040,032	7,447,155		