

City of Newburyport School Budget Workshop

Senior/Community Center

January 28, 2017

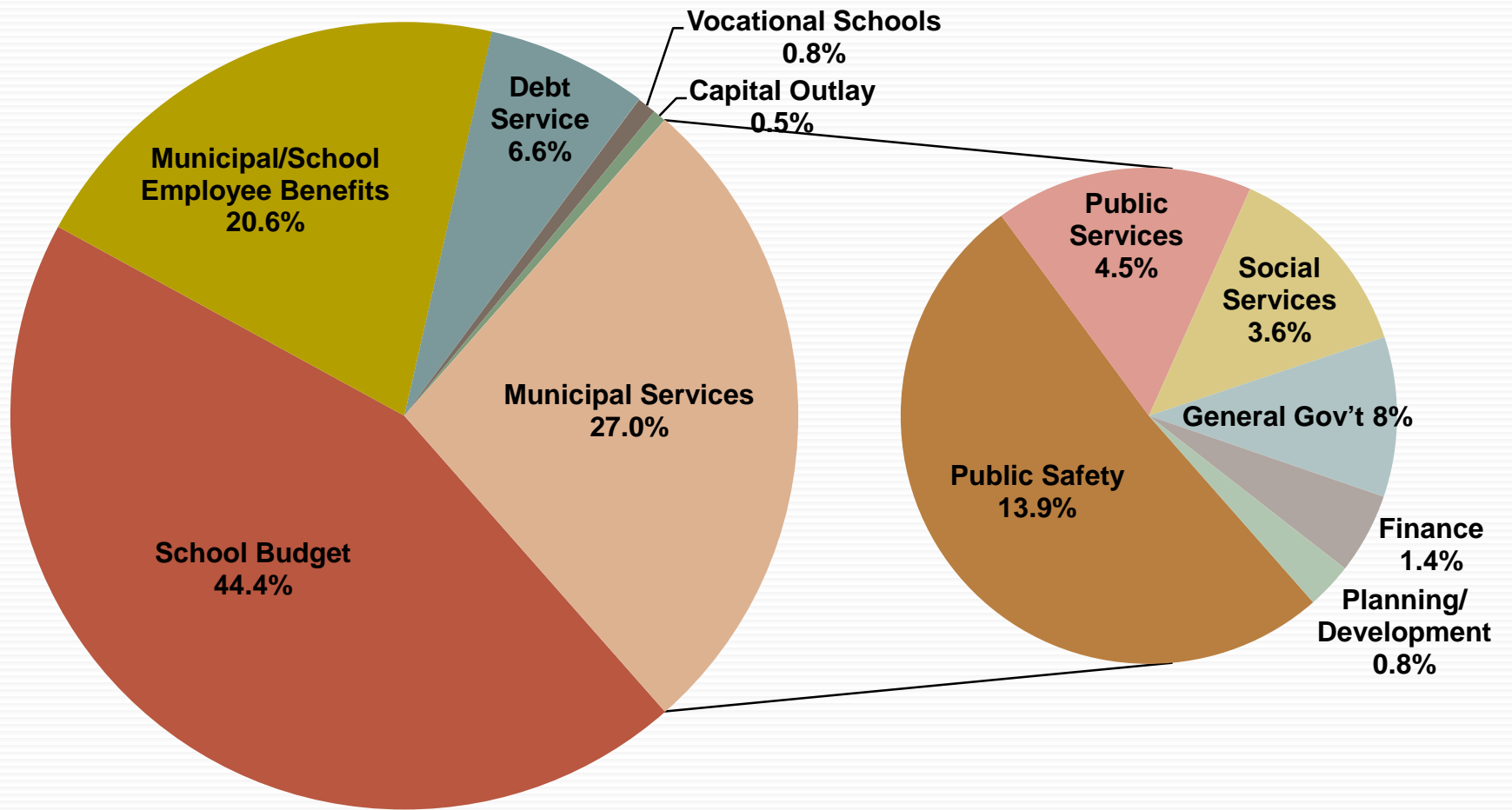
School Budget Workshop

- Introductions
- City Budget Process
- Budget Overview
- State Aid / State Budget Process
- School Budget
- Group Discussion

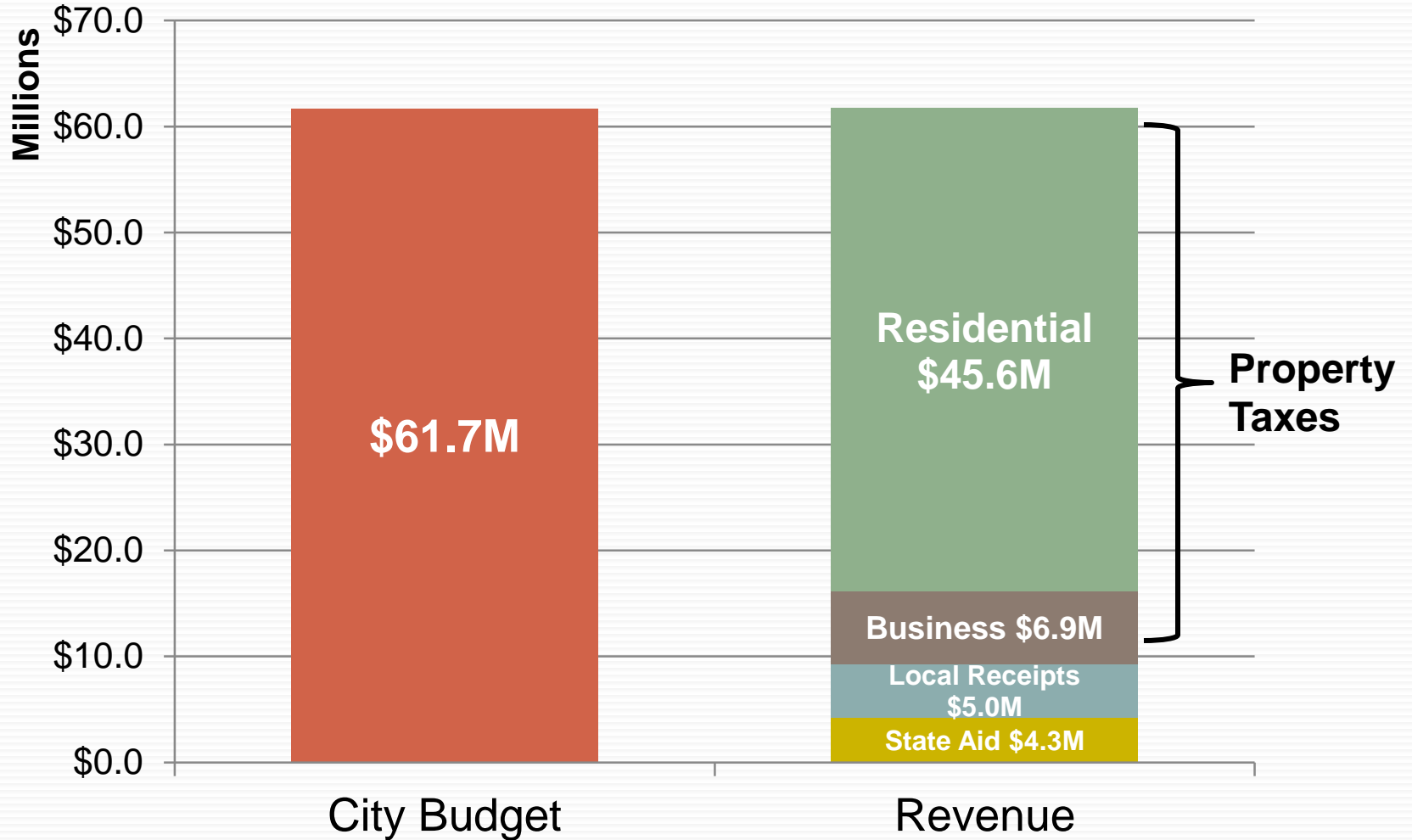
City Budget Process

- **January:** Mayor meets with Department Heads to present budget development guidelines; Operating budget requests due to Mayor
- **February-March:** Mayor meets with department heads to review budget requests and priorities
- **April:** Revenue estimates updated based on House budget proposal; School Committee adopts budget; Mayor finalizes budget recommendation
- **May:** Mayor's proposed budget submitted to City Council by May 15
- **June:** City Council approves budget within 45 days of Mayor's budget submission

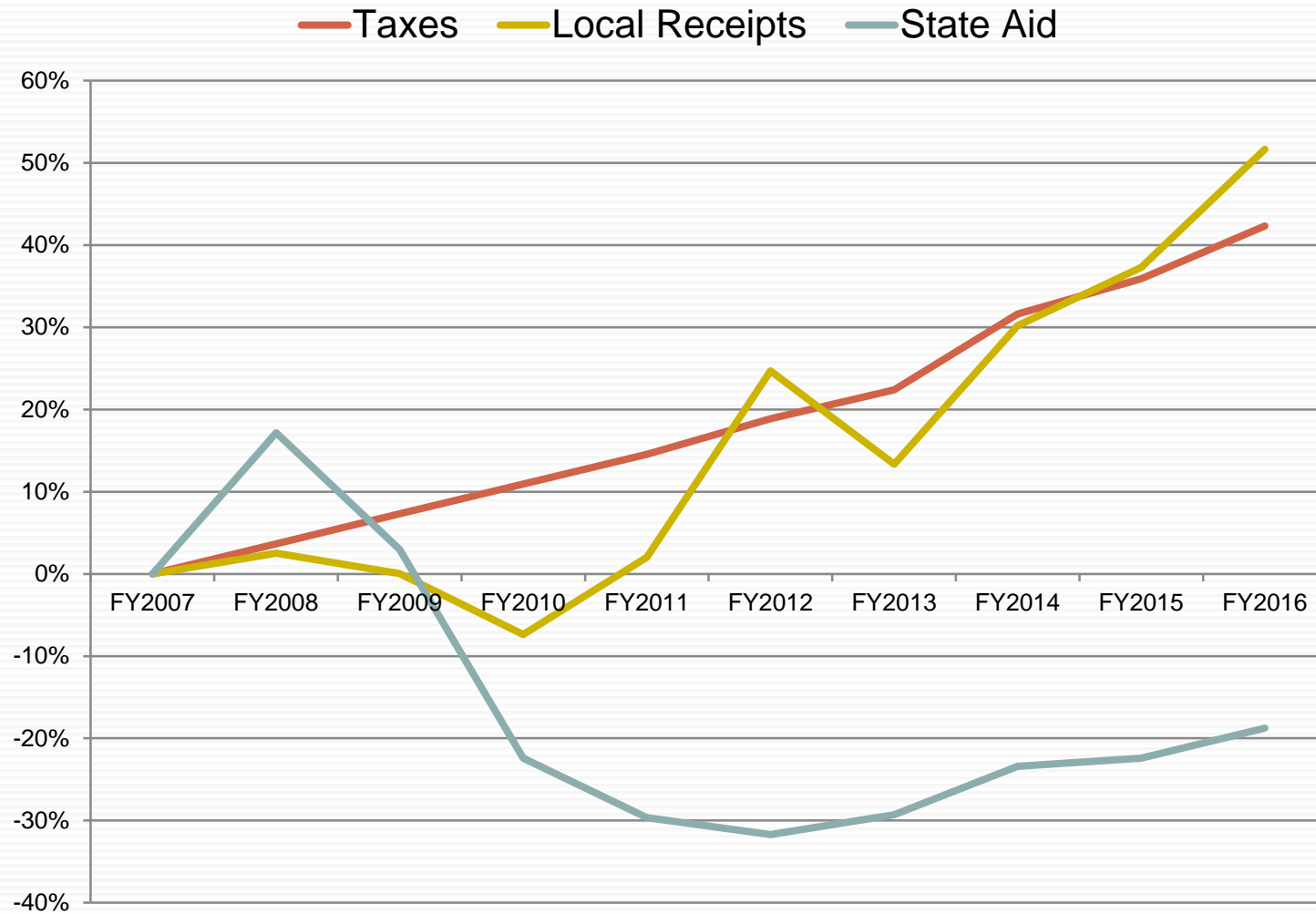
FY2017 Budget (7/1/16-6/30/17)



Budget Context



Revenue Sources - Historical Context



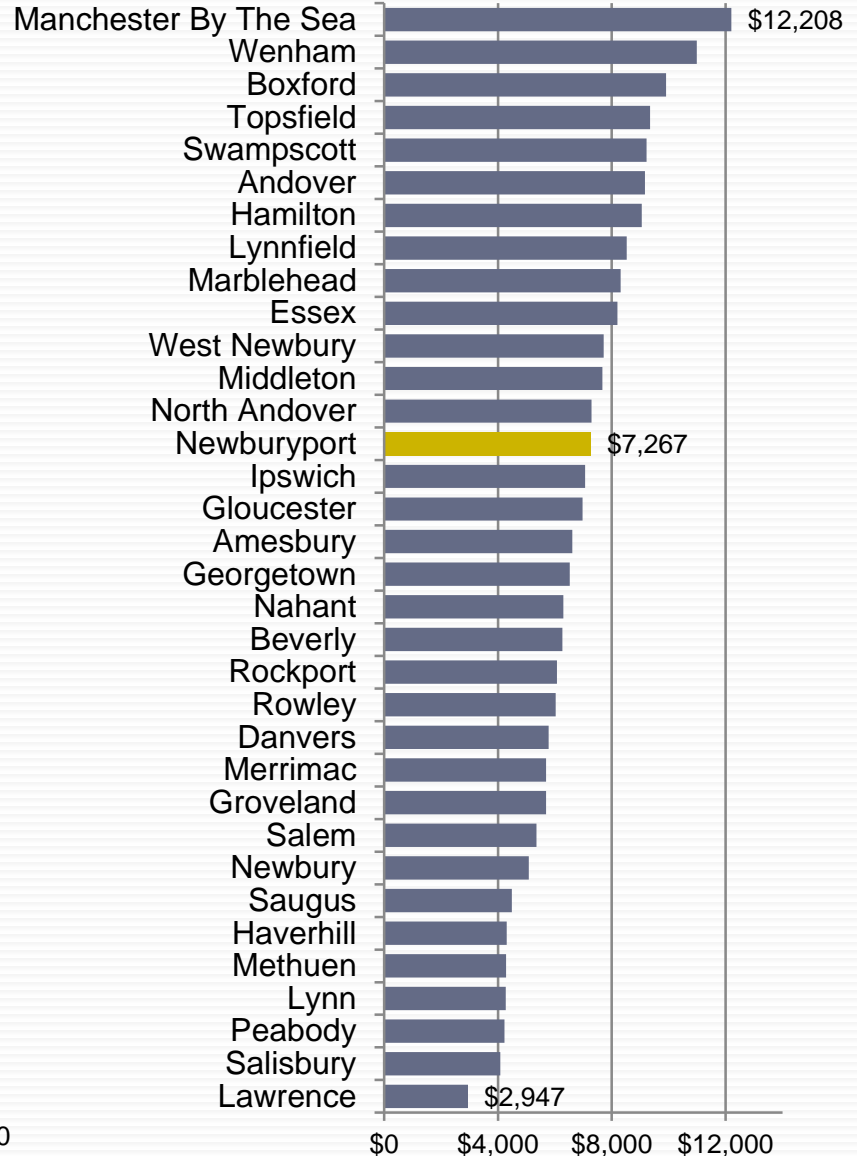
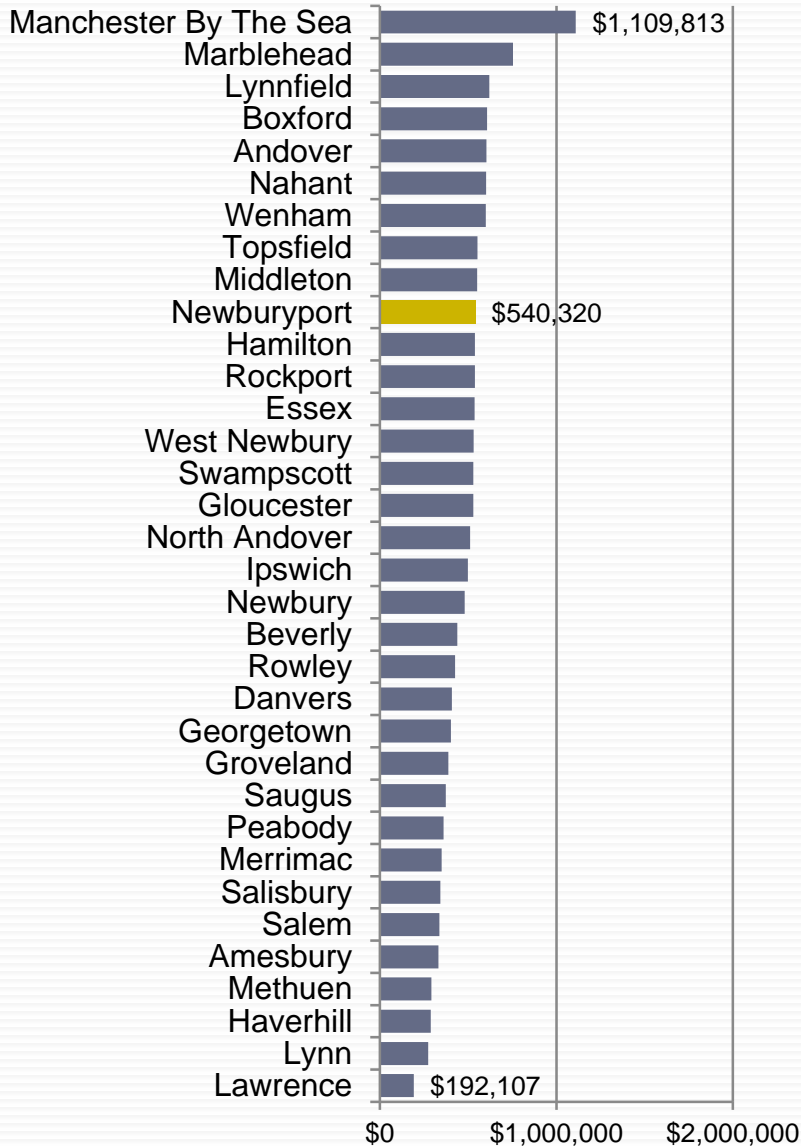
Property Taxes

- Proposition 2 ½
 - State Ballot Measure
 - Enacted in 1980, went into effect 1982
 - Taxes cannot be more than 2.5% of property values
 - Taxes cannot go up more than 2.5% per year (plus any New Growth and voted exclusions/overrides)
- FY17 Tax Rate: \$13.45 per \$1,000
- Average single family bill is \$7,267 based on an average assessment of \$540,320

Property Values/Taxes – Essex County

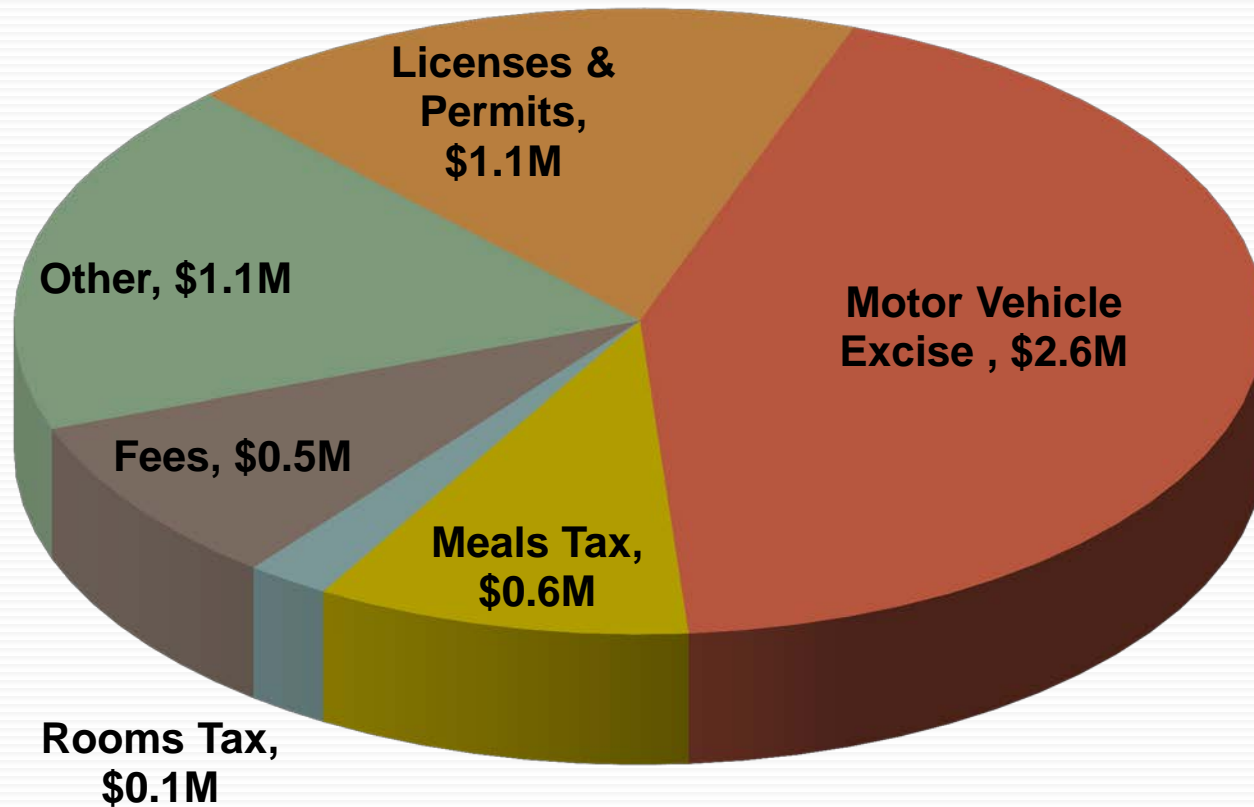
Average Single Family Value

Average Single Family Tax Bill



Local Receipts

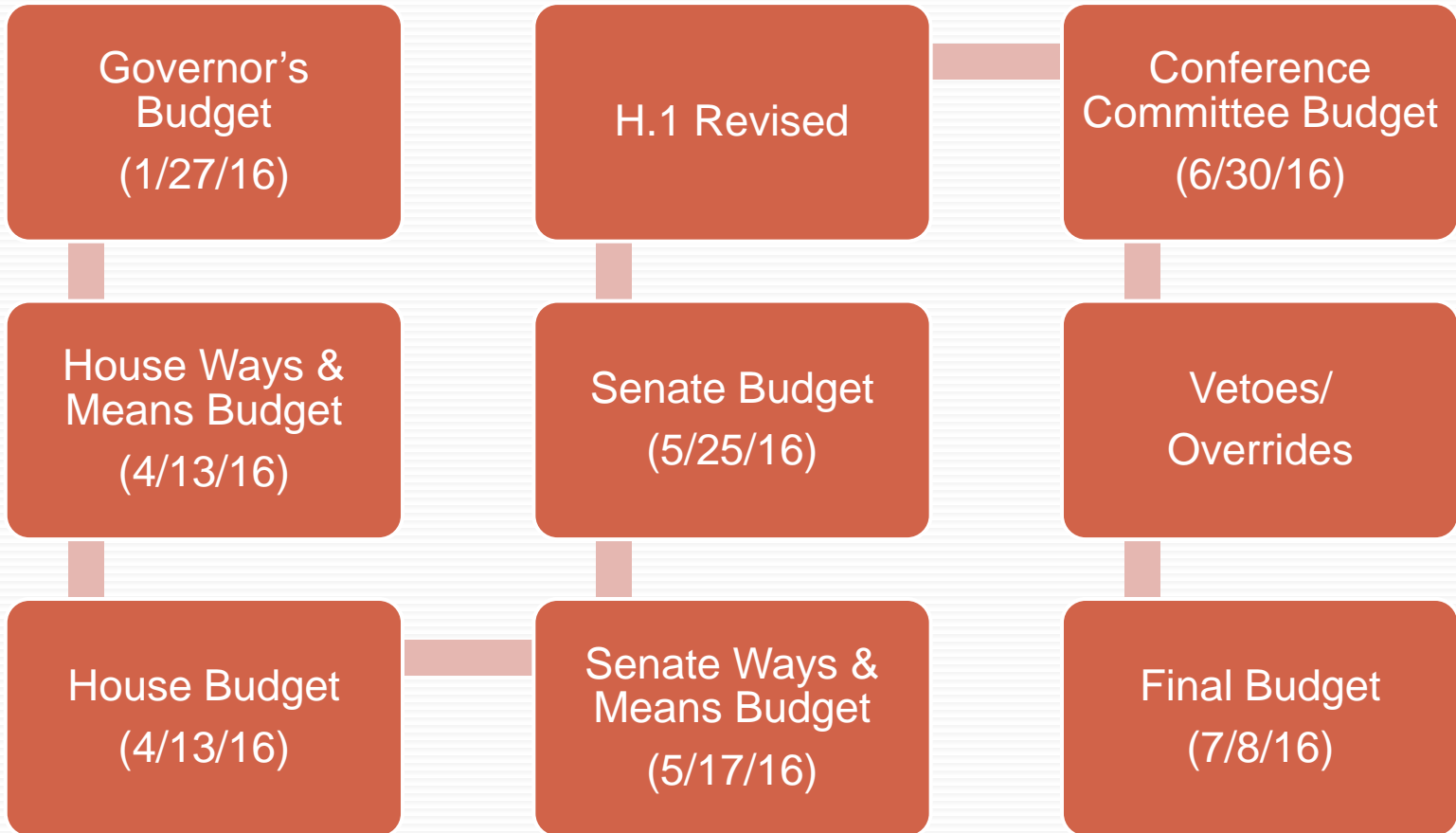
FY16 Revenue of \$5.0M



State Aid – Overview

- “Cherry Sheet” funds named after the cherry-colored paper on which it was originally printed
- Provides an estimate of state aid that a municipality should expect to receive
- Consists of:
 - Payments to the municipality (Receipts)
 - Payments that are earmarked for a specific spending purpose (Offsets)
 - Assessments (Charges)
- Amount varies throughout the state budget process

State Budget Process



State Aid – FY17 Receipts

**C.S. 1-ER Commonwealth of Massachusetts Department of Revenue FY2017
 NOTICE TO ASSESSORS OF ESTIMATED RECEIPTS
 General Laws, Chapter 58, Section 25A
 Newburyport**

A. EDUCATION:

Distributions and Reimbursements:

Chapter 70	3,851,292
Charter Tuition Reimbursement	162,952

Offset Items – Reserve for Direct Expenditure:

School Choice Receiving Tuition	641,809	← Offset
Sub-Total, All Education Items:	4,656,053	

B. GENERAL GOVERNMENT:

Distributions and Reimbursements:

Unrestricted General Government Aid	2,452,232
Veterans Benefits	126,625
Exemp: VBS and Elderly	84,024
State Owned Land	125,654

Offset Item - Reserve for Direct Expenditure:

Public Libraries	26,268	← Offset
Sub-Total, All General Government:	2,814,803	

C. TOTAL ESTIMATED RECEIPTS:

7,470,856

State Aid – FY17 Charges

**C.S. 1-EC Commonwealth of Massachusetts Department of Revenue FY2017
NOTICE TO ASSESSORS OF ESTIMATED CHARGES
General Laws, Chapter 59, Section 21
Newburyport**

B. STATE ASSESSMENTS AND CHARGES:

Mosquito Control Projects	42,487
Air Pollution	6,843
RMV Non-Renewal Surcharge	45,260
Sub-Total, State Assessments:	94,590

C. TRANSPORTATION AUTHORITIES:

Regional Transit	134,723
Sub-Total, Transportation Assessments:	134,723

E. TUITION ASSESSMENTS:

School Choice Sending Tuition	301,240
Charter School Sending Tuition	2,018,823
Sub-Total, Tuition Assessments:	2,320,063

F. TOTAL ESTIMATED CHARGES:

2,549,376

State Aid – FY17 Net Aid

Receipts	\$7,470,856
Charges	-\$2,549,376
Offsets	-\$668,077
Net State Aid	\$4,253,403

State Aid – FY17 vs. FY18

