

Mohawk Trail Regional School District

FINANCIAL PROJECTIONS

FY23 – FY27

MARCH 2023

THE ABRAHAMS GROUP

Projection Assumptions

- ❑ Based on:
 - ❑ FY24 Preliminary Chapter 70 numbers (March 2023)
DESE's simulated Ch 70 Student Opportunities projections
 - ❑ Six-year average FY18 – FY23 historical expenditures & revenues as budgeted
- ❑ Numbers may be off due to rounding

District Enrollment Declined 28% during last 13 years

- Foundation Enrollment:
 - Students that live in the member towns & attend a District public school
 - District financially responsible
- Includes resident students attending District, Choice Out, Charter Out & out-of-district SPED placements

FY18 - FY23 Expenditures

- Annual expenditure increases ranged over five-year period between -0.2% & +4.6%
- Instructional services & fringe benefits = 74% of FY23 budget

Source: Mohawk Trail Budget

Revenues

Revenues funded substantially by
Assessments & Chapter 70 funds:

- ❑ 63% assessments
- ❑ 30% Chapter 70
- ❑ 3% Chapter 71
- ❑ 2% tuition
- ❑ 2% miscellaneous

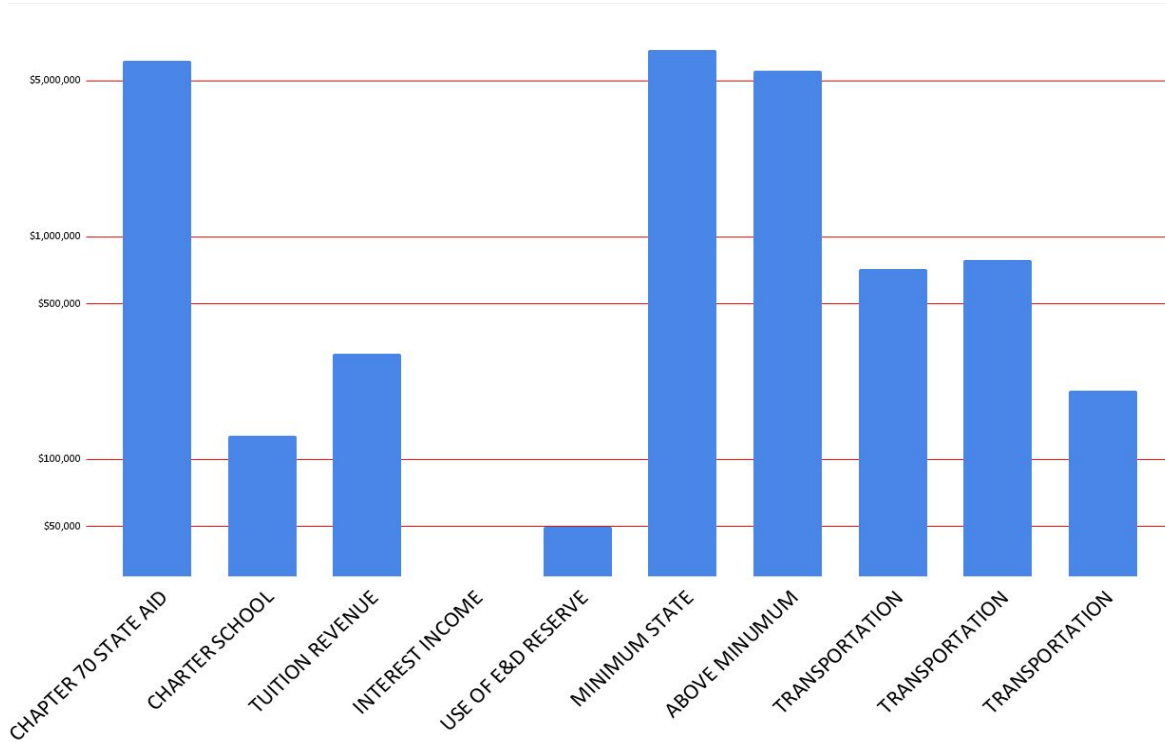
Source: Mohawk Trail Budget

Assessments

- ❑ Assessments relatively stable over last five years
- ❑ Exception of FY21

Source: Mohawk Trail Budget

FY24 Revenues



- Mohawk Trail revenues are primarily:
- Chapter 70 aid
- Town assessments
- Minimum required district contributions (State)
- Above minimum

Source: Mohawk Trail Budget

Chapter 70 Projections: Local Required District Contributions

Changes: FY23 to FY27

Ashfield = +17.1%

Hawley = + 0.0%

Buckland = +13.7%

Heath = +17.3%

Charlemont = -2.2%

Plainfield = +14.9%

Colrain = +10.1%

Shelburne = +13.6%

Source: Chapter 70 Preliminary Numbers

Chapter 70 Projections

- ❑ Foundation Budget increased 12.84% FY22 to FY23 after 7% decrease FY21 to FY22 & 3% decrease FY20 to FY21
- ❑ Foundation Budget increased 4.3% FY23 to FY24P
- ❑ Foundation Enrollment increased 1.47% FY22 to FY23 & 37 enrollment decline FY23 to FY24P (mostly elementary students, notwithstanding NESDEC's projected enrollment increases)
- ❑ Foundation Budget growth frozen at 4.03% for each projected fiscal year (consistent with FY24 Foundation Budget growth)
- ❑ District projected to remain Minimum Aid district through projection period (projected \$30 per pupil each year)

Source: Chapter 70 Preliminary Numbers

Revenue Projections - Summary

- ❑ Chapter 70 increases projected to be minimum aid at \$23,730 increase each year
- ❑ That represents a 0.004% annual increase (far below inflation)
- ❑ Offsets reduced by ESSER III
- ❑ Other line items including assessments level funded

Financial Summary - 1

- ❑ Analysis presents a financial projection for FY23 – FY27
- ❑ Expenditures projected to increase ~5% annually
- ❑ Chapter 70 projected to provide minimal increased aid -
District projected to remain minimum aid district
- ❑ All member towns projected to become above local target
share communities during projection period

Financial Summary - 2

- ❑ Offsets reduced by ESSER III loss of revenue
- ❑ Annual shortfalls estimated between 5% & 5.5%
- ❑ Expenditures projected to exceed revenues in each year projected - requires increased assessments &/or reduced expenditures
- ❑ Many variables held constant to FY24 & thus actual results will vary - FY24 numbers are preliminary and will change