

CITY OF PITTSFIELD

NET SCHOOL SPENDING AGREEMENT

This Net School Spending Agreement (the "Agreement") is entered into on, or as of this the 3rd day of June, 2004 and between the City of Pittsfield, a municipal corporation duly organized under the laws of the Commonwealth of Massachusetts and the School Department of the City of Pittsfield.

RECITALS

WHEREAS, the City desires to memorialize an annual net school spending agreement regarding the manner and method that Net School Spending figures will be calculated on a yearly basis, in accordance with 603 Code of Massachusetts Regulations 10.06;

WHEREAS, the City desires to create an agreement on annual Net School Spending for purposes of determining compliance with the requirements of M.G.L. c. 70;

AGREEMENT

THEREFORE, in consideration of the agreements set forth herein, the City and the School Department agree to the terms set forth below.

1. The sum of the following expenditures for public education from local revenues and M.G.L. c. 70 school aid, reported in accordance with 603 CMR 10.04 and 10.05 and the guidelines for reporting student and financial data published by the Department of Education, shall be considered the City of Pittsfield's annual Net School Spending for purposes of determining compliance with the requirements of M.G.L. c. 70. These figures will be calculated on an annual basis, as follows:

Administrative Service Costs/Employee Benefits Administration (1000, 1500): Administrative Services/Employee Benefits Administration shall equal the cost of any and all other administrative support provided by the City of Pittsfield in support of the Pittsfield School Department. The cost shall be computed by multiplying (1) the salary of any and all municipal administrative official who provide administrative support to the school by (2) the percentage of time that each individual administrative officer spends working on school work or projects, and then adding to this number the actual cost incurred by the City of Pittsfield for supplies and postage spent on the School Department. This relevant percentage and amount shall be determined on an annual basis. Although benefit costs could be included in the amount, it shall not include any benefit costs therewith associated with that administrative employee unless agreed upon by both parties to this Agreement.

Health Services (3200): The salaries of health personnel who provide direct services or instruction to public school students or school department employees where there is an agreement between the school committee and the municipality for the provision of these services shall be directly attributable to Net School Spending Requirements. Such costs include costs for supplies, materials and other direct expenditures in support of these services; and the salaries of public safety officers, on an hourly basis, who provide direct classroom instruction on alcohol and substance abuse and violence prevention where there is an agreement between the school committee and the municipality for the provisions of these services. To the extent that city positions are funded by a grant, that position will be attributable to Net School Spending Requirements only to the extent of city funding.

Athletics/Student Activities/Security (3500, 3600): The cost of Athletics/Student Activities/Security provided by the City of Pittsfield to the School Department shall be directly attributed to the Net School Spending Requirements. To the extent that city positions are funded by a grant, that position will be attributable to Net School Spending Requirements only to the extent of city funding.

Operation and Maintenance of Plant (4000): The direct costs of salaries, supplies, materials and contractual expenses for the ordinary and extraordinary maintenance of school buildings, grounds and equipment shall be attributable to net school spending. School maintenance expenditures shall be reported for services within a school building or on school grounds. The costs of maintaining other public property, such as property directly adjacent to school property, shall not be reported unless there is a specific agreement between the school committee and the municipality for the provision of these services. The cost of operation and maintenance shall be computed by multiplying (1) the Maintenance figure reported to the Department of Education from the previous fiscal year, by (2) the percentage that the overall city budget increased/decreased from the previous year, exclusive of the enterprise funds. The city shall also calculate a maintenance figure based on a percentage using time records and multiply it times the actual costs. This number will be compared to the previous year's amount multiplied by the index, as previously discussed. The lower of the two numbers will be recorded. The

Maintenance figure for Fiscal Year 2005 will be presumed to be the Maintenance figure reported to the Massachusetts Department of Education for the Fiscal Year 2004.

Employee Retirement Programs (5100): The cost of Employee Retirement Programs paid by the City of Pittsfield to School Department retirees shall be directly attributed to the Net School Spending Requirements.

Health Insurance for Current School Department Employees (5200): The cost of health insurance provided by the City of Pittsfield to current School Department employees shall be computed by multiplying (1) the total cost the City of Pittsfield paid for health insurance, after deducting the amount of reimbursements that the City of Pittsfield received through grants for health insurance, by (2) the number of school department employees covered by the health insurance system divided by the total number of employees covered by the health insurance system. The relevant number of school department and municipal employees will be determined on January 1st of the ensuing year. This percentage will be presumed to be 62% for the Fiscal Year 2005 and will be reevaluated on an annual basis as described above.

Health Insurance for School Department Retirees (5250): The actual cost of health insurance provided by the City of Pittsfield to School Department retirees shall be directly attributable to the Net School Spending Requirements.

Non-Employee Insurance (5260): Non-Employee Insurance shall mean the direct insurance premiums for school buildings, grounds, and liability coverage paid by the City of Pittsfield. The actual cost of non-employee insurance provided by the City of Pittsfield to School Department shall be directly attributable to the Net School Spending Requirements.

Long and Short Term Debt (\$100/8200): Long and Short-Term Debt will be reported to the Department of Education as a cost but will not be included as an indirect cost for Net School Spending Requirements. However, if the Legislature makes a provision for including excess debt as an includable cost under Chapter 70 for a specified year then the city and school officials will meet to discuss whether or not excess debt will be included in Pittsfield's indirect cost.

Worker's Compensation for Current School Department Employees (5200/5250): The cost of worker's compensation insurance shall be computed by multiplying (1) the total cost the City of Pittsfield paid for worker's compensation insurance by (2) the number of school department employees covered by the worker's compensation system divided by the total number of employees covered by the worker's compensation system. The relevant number of school department and municipal employees will be determined on January 1st of the ensuing year. This percentage will be presumed to be 62% for the Fiscal Year 2005 and will be reevaluated on an annual basis as described above.

Life Insurance (5200/5250): The cost of life insurance provided by the City of Pittsfield to current School Department employees shall be computed by multiplying (1) the total

cost the City of Pittsfield paid for life insurance by (2) the number of school department employees covered by the life insurance system divided by the total number of employees covered by the life insurance system. The relevant number of school department and municipal employees will be determined on January 1st of the ensuing year. This percentage will be presumed to be 62% for the Fiscal Year 2005 and will be reevaluated on an annual basis as described above.

Tuition (School Choice) (9100): All assessments for tuition and school choice students attending schools outside the district shall be directly attributable to the Net School Spending Requirements.


All parties understand that this Net School Spending Allocation method is of their own devise and understand that they may change allocation methods only upon the approval of the Commissioner of Education. It is understood that this Agreement will be modified only if there are substantial and significant changes to the structure or operation of the school system in the City of Pittsfield.


All parties shall be considered to renew this Agreement on an annual basis by preparing for and agree to the Estimated Net School Spending Compliance for the next fiscal year. The methods contained in this Agreement shall be consistently utilized from year to year and all parties understand that they may change methods only with the approval of the Commissioner of Education

In the event that the school and municipal officials cannot agree on the correct reporting, allocation and documentation of expenditures by municipal agencies for educational purposes, either party may appeal to the Commissioner of Education, who shall appoint a designee to conduct an informal hearing to encourage the parties to reach an agreement and to make a final determination if no agreement can be reached. The Commissioner of Education shall seek the advice and consultation of the Commissioner of Revenue (or designee) in this hearing.


IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed in its name and behalf and its seal duly affixed as of the day first above written.

CITY OF PITTSFIELD

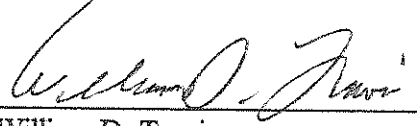
By: 
James M. Ruberto
Mayor, City of Pittsfield

By: 
G. Richard Bordeau
Director of Finance & Administration,
City of Pittsfield

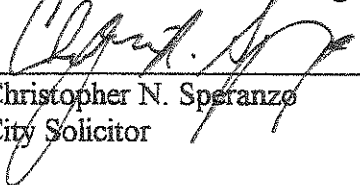
SCHOOL COMMITTEE

By: 
Carmen Massimiano
Chairman, School Committee

PITTSFIELD SCHOOL DEPARTMENT

By: 
Dr. William D. Travis
Superintendent, School Department

Certified as to Form and Legality


Christopher N. Speranzo
City Solicitor