

# FY21 School Department Operating Budget Request



5.14.20 City Council Finance Subcommittee





# Tonight's Goals:

1. FPS and School Committee Budget Development Process
2. Review Year to Year Budget Drivers
3. Explain Differences in School Committee Submitted Budget and the Mayor's Budget
4. Preview FY20 End of Year Closeout and Projected Impacts Under Development Due to COVID-19
5. Commitment to Ongoing Joint FY21 Meetings with the City Council, Mayor, CFO, School Committee, FPS

*FPS budget supports more than 9200 students, 1800 employees, across 16 school buildings*



# FY21 Budget Process and Important Dates:

October 8, 2019: Start of process → Build on FY20 budget \$138,484,986

November 12 - December 12, 2019: 38 budget meetings

January 22, 2020: FPS Budget Workshop 1 → \$152,107,800 (+13,622,814, +9.84%)

February 26, 2020: FPS Budget Workshop 2 → \$148,203,482 (+9,718,496, +7.02%)

March 4, 2020: FTA Public Forum → \$145,118,359 (+6,633,373, +4.79%)

March 5, 2020: SC Meeting → \$145,118,359 (+6,633,373, +4.79%) → \*No Local Contr.

March 10, 2020: Joint CC & SC FinCom → \$147,350,934 (+8,865,948, +6.40%)

## ***COVID-19 Impacts Began (3/12/20)***

March 18, 2020: SC Budget Hearing → \$147,350,934 (+8,865,948, +6.40%)

April 1, 2020: SC Budget Vote → \$147,350,934 (+8,865,948, +6.40%)

May 6, 2020: SC Review of Mayor's Budget → \$142,281,934 (+\$3,796,948, +2.74%)

May 11, 2020: Review of Mayor's FPS Budget → \$141,781,934 (+3,296,948, +2.38%)



## FY21 Budget Status and Level Services Gap

**Level Services FY 21**                      **\$145,092,371\* (+6,607,385)**

**Mayor's FPS Budget**                      **\$141,781,934\* (+ 3,296,948)**

**Level Services Gap**                      **\$3,310,437**

\*Assumes the Student Opportunity Act is postponed / Delays all new initiatives



# FY21 Assumptions Part 1:

## 1. Student Opportunity Act delayed until at least FY22

- a. SOA intended to support annual drivers and invest to improve student outcomes
- b. FY21 Chapter 70 Aid reduced from \$7,089,523 to \$2,741,904
  - i. SOA initial calculations: \$2,741,904 towards ongoing programs + \$4,347,619 SOA
- c. **Total FY21 Chapter 70 Aid: \$53,704,084**

## 2. Local revenues down (Effect seen in Q1 of FY21)

- a. New Fy21 Local Contribution to School budget = \$555,044
- b. **Total FY21 Local Contribution: \$88,077,850**



## FY21 Assumptions Part 2:

### 3. **Circuit Breaker Funded**

- a. Special Education tuition reimbursement offsets budget by \$5,958,633
- b. Special Education transportation reimbursement offset budget by \$500,000

### 4. **Grants level funded**

- a. Total FY21 funding equals FY20: \$7,555,734



# FY21 Budget Factors and Annual Drivers

## **1. Salaries & Collective Bargaining Contracts**

Six (6) Collective bargaining contracts - SY20-21 begins a new round of negotiations

Two (2) groups of non-union staff

Legal Requirements for Special Education Compliance

Enrollment Increases

Substitute Recruitment and Retention

## **2. Federal and State Grant funding**

FY 21 Budget includes level funding for all Federal and State grants.

Private grants are not assumed in this proposed budget and will be managed without an effect on the operating budget. Total funding is assumed at \$7,555,734



# FY21 Budget Factors And Annual Drivers

## 3. Student transportation

Home to School transportation is a 2.5% increase from year four (FY20) to year five (FY21) which is the final year of the current contract with Durham School Services. In FY20, 76 total buses transport over 7,000 students on a daily basis. An additional bus is budgeted to bring the fleet up to 77 buses to accommodate the increase in enrollment seen District-wide

## 4. Circuit Breaker Carryover

\$4,000,000 in special ed out of district transportation

\$5,958,633 in projected FY21 Circuit Breaker tuition reimbursement to offset total out of district tuition costs of \$19,380,517





# FY21 Budget Factors and Annual Drivers

## 5. Enrollment Growth

More than 220 new students and rising

## 6. Efficiencies

Zero-based budgeting

Class Size Analysis

Special Education and Athletic Transportation

Bulk Purchasing

Instructional Materials Formula



# FY21 Budget Factors and Annual Drivers

## 7. COVID-19 Driving MAJOR Educational Changes

Unknown scope and costs of required and recommended public health, social-emotional, infrastructure, technology and professional development adjustments to be determined for next school year



# Addressing the \$3.3M Budget Gap:

1. F20 Spending and Hiring Freezes Implemented in March
2. Shift from SOA focused, to delaying all new initiatives
3. FEMA and CARES Act Reimbursements
4. Revolving Funds
5. FY20 Savings Carry Forward
  - a. Impacts of COVID-19 will result in additional end of year balance; recommend to offset special education costs to reduce cuts
6. Summer remote learning will result in \$70,000 in summer transportation costs savings and \$300,000 in summer salary savings

***May 20th and June School Committee Meetings to review COVID-19 related expenses, federal reimbursements, & end of year projections***



# Draft Plan for Reductions to Balance FPS Budget Gap

## Preliminary FPS Plan for Consideration to Amend Original Budget Submission

### On School Committee's 5/20 Agenda

School Committee 4/1/20 Voted FY21 Budget	\$147,350,934 (+8,865,948, +6.40%)
Mayor's FPS Budget Recommendation	\$141,781,934 (+3,296,948, +2.38%)
<b>FPS to reduce FY21 request by net</b>	<b>-\$5,569,000 reduction</b>

<b>FY21 Budget Gap</b>	<b>\$5,569,000</b>	
Remove Summer salaries gap)		-\$300,000 (\$5,269,000 gap)
Remove Summer transportation		-\$70,000 (\$5,199,000 gap)
Remove NEW Contractual Positions		-\$636,279 (\$4,562,721 gap)
Remove Tier 1 New Positions*		-\$1,213,608 (\$3,349,113 gap)
Remove Tier 2+ New Positions		-\$408,675 (\$2,940,438 gap)
Add back in 2.0 FTE due to rescinded retirements		+\$68,635 (\$3,008,803 gap)
Remove Athletic Expenses to be covered by Rev		-\$50,000 (\$2,958,803 gap)
Remove B&G Expenses to be covered by Rev		-\$100,000 (\$2,858,803 gap)
FY20 Circuit Breaker Carryover to cover tuitons**		-\$2,858,803 (Gap closed)

\*New 2.4FTE included at Fuller due to new class at King and new 1.0FTE included at Barbieri due to enrollment growth

\*\* \$1,258,804 Total FY20 CB Carryover to balance