

FY 2021 Up to Date Budget and Projections

School Committee

November 5, 2020



Objectives

- ▶ Outline revenue and expenses since Annual Town Meeting (June 2020)
- ▶ Highlight specific budget changes and cost drivers
- ▶ Identify FY21 deficit as of 11/5/20
- ▶ Discuss plan for balancing budget

Total FY21 Revenue Update

Annual Town Meeting → 1st Qtr

- ▶ Additional revenue since FY21 Annual Town Meeting to 1st Qtr = **an increase of \$450,124 in total revenue**

Program	FY21 Annual Town Meeting	Change From FY21 Annual Town Meeting	FY21 1st Qtr	Description (Annual Town Meeting vs. FY21 1st Qtr)
Revenue				
General Fund Approp.	\$118,998,990	--	\$118,998,990	No change
Tuition Fees	\$505,000	\$282,318	\$787,318	+\$282K from prior year tuition fund balance
Circuit Breaker	\$1,971,547	\$167,806	\$2,139,353	+\$167K in Circuit Breaker
Total Available	\$121,475,537	\$450,124	\$121,925,661	+\$450K since FY21 Annual Town Meeting = increase of 1.71%

Total FY21 Revenue Update by Category

Annual Town Meeting → 1st Qtr

Category	FY21 Annual Town Meeting	Change from FY 21 Annual Town Meeting (1st Qtr)	FY21 1st Qtr	Description
51 SALARIES	\$105,313,768	\$782,835	\$106,096,603	Outlines resources we have available in each budget category in FY21 1st Qtr based on what has shifted or changed since FY21 Annual Town Meeting (June) Reflect reallocation of funds to help meet current salary needs
52 CONTRACTED SERVICES	\$12,105,650	\$(298,219)	\$11,807,431	
53 SUPPLIES	\$2,019,884	\$(280,493)	\$1,739,391	
55 OTHER CHARGES	\$847,837	\$217,759	\$1,065,596	
56 UTILITIES	\$10,350	\$(3,000)	\$7,350	
5A BUDGETED CAPITAL	\$1,178,048	\$31,242	\$1,209,290	
Total Available	\$121,475,537	\$450,124	\$121,925,661	

Total FY21 Revenue Update

1st Qtr → Special Town Meeting (November)

- ▶ Additional revenue since FY21 Q1 to Special Town Meeting = **an increase of \$1.75M in total revenue from Town School Partnership**
 - ▶ Revenue increase all added to **Salary Line**

Program	FY21 1st Qtr	Change From FY21 Special Town Meeting (NOV)	FY21 Special Town Meeting	Description (FY21 1st Qtr vs. Special Town Meeting)
Revenue				
General Fund Approp.	\$118,998,990	\$1,750,000	\$120,748,990	+\$1.75M in salaries
Tuition Fees	\$787,318	--	\$787,318	No Change
Circuit Breaker	\$2,139,353	--	\$2,139,353	No Change
Total Available	\$121,925,661	\$1,750,000	\$123,675,661	+\$1.75M since FY21 1st Qtr = increase of 3.17%

Total FY21 Revenue Update by Category 1st Qtr → Special Town Meeting (November)

Category	FY21 1st Qtr	Change From FY21 Special Town Meeting (NOV)	FY21 Special Town Meeting	Description
51 SALARIES	\$106,096,603	\$1,750,000	\$107,846,603	Outlines resource allocation post Special Town meeting in each budget category based on what has shifted or changed since FY21 1st Qtr. Using additional \$1.75 million to meet extraordinary salary needs due to COVID-19
52 CONTRACTED SERVICES	\$11,807,431	--	\$11,807,431	
53 SUPPLIES	\$1,739,391	--	\$1,739,391	
55 OTHER CHARGES	\$1,065,596	--	\$1,065,596	
56 UTILITIES	\$7,350	--	\$7,350	
5A BUDGETED CAPITAL	\$1,209,290	--	\$1,209,290	
Total Available	\$121,925,661	\$1,750,000	\$123,675,661	

Takeaways

- ▶ Available revenue has changed by \$2,200,124 since Annual Town Meeting (June)
 - ▷ Circuit breaker
 - ▷ Tuition balance
 - ▷ Special Town Meeting appropriation (Nov)

Given this, we are **still managing a deficit of approximately \$1.3 million**

1st Qtr Spend Rate & Projections through June 2021

Category	FY21 1st Qtr	Year End Projection	Projected Balance/ (Deficit)	Budget Adjusted STM (NOV)	FY 21 Projected Balance/ (Deficit)	Description
51 SALARIES	\$106,096,603	\$108,943,417	\$(2,846,814)	\$1,750,000	\$(1,096,814)	RLA, Special Education, Help Desk
52 CONTRACTED SERVICES	\$ 11,807,431	\$11,968,713	\$ (161,282)		\$ (161,282)	Curriculum Software license expansion
53 SUPPLIES	\$ 1,739,391	\$1,799,391	\$ (60,000)		\$ (60,000)	RLA Supplies
55 OTHER CHARGES	\$ 1,065,596	\$1,065,596	\$ -		\$ -	
56 UTILITIES	\$ 7,350	\$7,350	\$ -		\$ -	
5A BUDGETED CAPITAL	\$ 1,209,290	\$1,234,290	\$ (25,000)		\$ (25,000)	RLA Computers/equipment
	\$121,925,661	\$125,018,757	\$(3,093,096)	\$1,750,000	\$(1,343,096)	

Since June 2020

Savings/Efficiencies

- ▶ Conversion of \$400K in Substitute Account for Daily Subs
- ▶ Reassigned Specialists to core academic teaching positions

Cost Drivers

- ▶ Opening 9th Elementary School (RLA)
- ▶ COVID 19 distancing added sectioning to core academic and specialist areas
- ▶ Custodial Services not funded by rental of facilities revenue
- ▶ IT personnel to meet additional parent and employee needs
- ▶ Software subscriptions for curriculum materials

Balancing Budget Plan

- ▶ Review & freeze future hiring
- ▶ Continue to identify savings and efficiencies
- ▶ Freeze expense budgets at the close of Q2
- ▶ Continue to pursue funding identified in FY 21 Budget Needs Analysis
- ▶ Ask Advisory for a reserve fund transfer placeholder for \$1,000,000