



Shrewsbury Public Schools

Patrick C. Collins, Assistant Superintendent for Finance & Operations

10 April 2017

To: School Committee

Subj: FY18 BUDGET DEVELOPMENT UPDATE

State Budget Development Status

Today, the House Ways and Means Committee released its version of the FY18 budget. Attached you will see the Department of Revenue FY18 Cherry Sheet showing state aid and state charges line items with columns comparing the Governor's Budget versus House Ways & Means [HWM].

With respect to education, I will highlight that the HWM budget calls for \$10 more per pupil [\$30/pupil] in Chapter 70 Minimum Aid which equates to \$60,390 more than Governor Baker's Plan [\$20/pupil]. Also, the HWM Budget uses updated pre-enrollment data for charter school students. The tuition charge for charter students is reduced by \$235,426 due to decreased enrollment. At the same time charter school reimbursement revenue is also reduced by \$21,443.

So, the net change in state aid for the education-related accounts between Governor Baker's Budget and the HWM Budget is an additional \$38,947. More significantly is the decreased amount of charges for tuition assessments which now drops by \$235,426.

So, the increased revenue and decreased charges provide a bottom line positive change of \$274,373.

Local Budget Development Status

On a local level, we have continued our monitoring of budgeted FY18 expenses and pleased to report some positive developments. Due to changes in out of district enrollments for special education and vocational schools we can reduce our budget by an additional \$300,000.

Thus, we have revised the Five-Tier Plan accordingly and this change completely eliminates the need or possibility of Tier 5 reductions and partially reduces Tier 4 reductions by \$25,000. The updated Five-Tier Reduction Plan is attached for your review.

Dr. Sawyer will provide his final FY18 Budget Recommendation to the School Committee on April 26th for your discussion and vote. In the interim, we will receive the Town Manager’s updated budget recommendation, “Fiscal Projection #2” sometime next week. That recommendation will incorporate the new information from the HWM budget and his own re-estimating of local revenues and expense budgets.

Upcoming Calendar of Budget Meetings

Detailed below are the pertinent budget-related meetings.

Date	Event/Meeting	Notes
4/10/17	House Ways & Means Budget Released	Updated state aid and charges
Week of 4/17	Town Manager releases “Fiscal Projection 2”	Updated School Budget recommendation
4/25	Board of Selectmen Meeting	Vote on FY18 Budget
4/26	School Committee Meeting	Vote on Superintendent’s Revised FY18 Budget Recommendation
4/27	Finance Committee Meeting	Vote on FY18 Budget
5/15,17,18	Annual Town Meeting	Vote/Finalize FY18 Budget

**FY2018 Local Aid Estimates
Shrewsbury**

	FY2017 Cherry Sheet Estimate	FY2018 Governor's Budget Proposal	FY2018 HWM Budget Proposal	FY2018 SWM Budget Proposal	FY2018 Conference Committee
Education:					
Chapter 70	19,524,868	19,645,648	19,706,038		
School Transportation	0	0	0		
Charter Tuition Reimbursement	50,008	55,377	33,934		
Smart Growth School Reimbursement	0	0	0		
Offset Receipts:					
School Choice Receiving Tuition	0	134,000	134,000		
Sub-total, All Education Items:	19,574,876	19,835,025	19,873,972		
General Government:					
Unrestricted Gen Gov't Aid	2,678,416	2,782,874	2,782,874		
Local Sh of Racing Taxes	0	0	0		
Regional Public Libraries	0	0	0		
Urban Revitalization	0	0	0		
Veterans Benefits	107,134	91,947	97,173		
State Owned Land	128,648	128,648	121,438		
Exemp: VBS and Elderly	95,423	94,769	94,769		
Offset Receipts:					
Public Libraries	42,014	42,298	44,303		
Sub-Total, All General Government	3,051,635	3,140,536	3,140,557		
Total Estimated Receipts	22,626,511	22,975,561	23,014,529		

**FY2018 Local Aid Assessments
Shrewsbury**

	FY2017 Cherry Sheet Estimate	FY2018 Governor's Budget Proposal	FY2018 HWM Budget Proposal	FY2018 SWM Budget Proposal	FY2018 Conference Committee
County Assessments:					
County Tax	0	0	0		
Suffolk County Retirement	0	0	0		
Essex County Reg Comm Center	0	0	0		
Sub-Total, County Assessments:	0	0	0		
State Assessments and Charges:					
Retired Employees Health Insurance	0	0	0		
Retired Teachers Health Insurance	0	0	0		
Mosquito Control Projects	76,750	80,357	80,357		
Air Pollution Districts	11,501	11,679	11,679		
Metropolitan Area Planning Council	0	0	0		
Old Colony Planning Council	0	0	0		
RMV Non-Renewal Surcharge	26,060	22,020	22,020		
Sub-Total, State Assessments:	114,311	114,056	114,056		
Transportation Authorities:					
MBTA	158,953	162,651	162,651		
Boston Metro. Transit District	0	0	0		
Regional Transit	80,539	78,379	78,379		
Sub-Total, Transp Authorities:	239,492	241,030	241,030		
Annual Charges Against Receipts:					
Multi-Year Repayment Program	0	0	0		
Special Education	0	1,337	1,337		
STRAP Repayments	0	0	0		
Sub-Total, Annual Charges:	0	1,337	1,337		
Tuition Assessments:					
School Choice Sending Tuition	171,845	131,975	131,975		
Charter School Sending Tuition	727,084	745,402	509,976		
Sub-Total, Tuition Assessments:	898,929	877,377	641,951		

Total Estimated Charges:

1,252,732

1,233,800

998,374

SHREWSBURY PUBLIC SCHOOLS

FY18 Budget Update

4.12.2017

CURRENT STATUS			
	FY18	Increase \$	Increase %
Town Manager Initial School Budget	\$ 61,600,000	\$ 1,192,616	1.97%
Superintendent Initial School Budget	\$ 64,083,917	\$ 3,676,533	6.09%
Initial Gap	\$ (2,483,917)		

REVISED STATUS				
	Reduction Plans		Remaining Amt to Close Gap	
	Original	Revised		
Tier 1	\$ 1,209,133	\$ 1,509,133		
Tier 2	\$ 306,500	\$ 306,500	\$ 974,784	Amt. needed to avoid Tiers 2,3,4. Tier 5 is now not needed due to Increase in Tier 1. Amt. needed to avoid Tiers 3 & 4 reductions. Amt. need to avoid Tier 4 reductions
Tier 3	\$ 463,784	\$ 463,784	\$ 668,284	
Tier 4	\$ 229,500	\$ 204,500	\$ 204,500	
Tier 5	\$ 275,000	\$ -		
	\$ 2,483,917	\$ 2,483,917		