



Shrewsbury Public Schools

Patrick C. Collins, Assistant Superintendent for Finance & Operations

11 June 2021

To: School Committee

Subj: FY2021 FINAL BUDGET STATUS UPDATE

Overview

Attached you will find the FY21 Budget Status Update. It is a recap of our \$67,995,283 district appropriated budget as approved by Town Meeting. You will recall that this plan provided for a modest 2.55% increase over FY20.

The enclosed report retains the reporting format started in FY16 which expands the reportable categories from 11 to 19 while remaining a high-level, one-page summary. For context it is important to note that reported expenditures and encumbrances are as of 6/11/2021 which is approximately 96% of the way through our fiscal year and 97% into the school year.

We will fully expend our FY21 General Fund [Town Meeting] Appropriation as projected in the attached summary.

Covid Funding

As you know, the District, like all other school districts, received significant federal and state Covid Relief Funding via grants. This much-needed funding provided the resources to fund Covid surveillance testing, remote learning software, personal protective equipment, furniture etc...A Covid funding status report was provided to you on March 24, 2021. We plan to provide another status update in the early fall on this topic.

General Fund [Town Meeting] Appropriated Budget

Detailed below is more information on any category of our budget with a variance of 10% or greater, either due to evolving conditions or intentional reallocation within bottom-line budget controls.

Category	Description	Projected Variance Percent	Notes
A5	Substitutes: Daily, Long-term, and Nurses	38.1% Under	Due to Covid remote learning days and the hybrid learning model, fewer day-to-day substitutes were required on some days and also occurring was our inability to get enough substitutes on other days.
A7	Employee Benefits	11.7% Under	We will reimburse significantly less dollars on staff tuition reimbursement than budgeted due to fewer requests submitted likely from suppressed course enrollments due to Covid.

Category	Description	Projected Variance Percent	Notes
B2	Special Education Transportation	37.5% Under	We were able to fund Summer SPED busing costs to the 240 IDEA grant, had less than expected costs in Out of District transportation, and less than expected costs for bus monitors.
C1	Special Education Tuitions	10.2% Under	Assuming the budgeted use of \$4.2M in Circuit Breaker reimbursement we will end the year with a positive variance of \$175,296 on a base of \$6.94M in total costs budgeted.
D2	Educational Contract Services	31.9% Under	Under budget in special education independent contractor services due to remote and hybrid learning modes.
D3	Textbooks/Curriculum Materials/Inst. Equipment	31.7% Over	Primarily over budget due to bearing some costs for individual student furnishings not covered by Covid grant funding.
D4	Professional Development	26.1% Under	Under budget due to less expenses for conferences and related travel expenses not incurred.
D5	Educational Supplies and Materials	11.9% Over	Made larger investments in curriculum materials K-12.
D6	Other Miscellaneous	20.5% Over	Upgrade Sherwood PA system for district notifications and compatibility. Install alarm light strobes in SHS in noisy large meeting spaces.
D8	Utilities-Telephone	45.8% Under	Capital costs less than expected. Have adjusted FY22 budget downward.

Circuit Breaker Fund

In preparing a very difficult FY21 budget, we pushed hard on use of the Circuit Breaker Fund by planning to use \$4.2M while expecting taking in only \$2.7M and using funds on account for the difference. With this year's projected results we expect to increase our Circuit Breaker funding level so as to accomplish two fiscally prudent goals:

- 1) provide a greater degree of certainty regarding the FY23 Circuit Breaker revenue budget and;
- 2) provide greater mid-year budget stability and resiliency when unexpected out of district placements occur, for example.

Many districts have taken the approach to retain up to one-year of Circuit Breaker funding on account [the MA DESE maximum allowed] so as to achieve the aforementioned financial goals and reduce budgetary risk and volatility. With this year's projected results, I would project that our district will have approximately \$2.4M on account or 81% of the maximum allowed.

Recommendation

Finally, it is recommended [using the Motion below] that the committee vote to authorize budget transfers between accounts to bring each account to \$0 at year end.

Motion: I move that the committee authorize the administration to make budget transfers from the original budget plan as necessary to eliminate deficits and surpluses with the intent of fully expending the total FY21 appropriation by June 30, 2021 and balancing all accounts.

SHREWSBURY PUBLIC SCHOOLS
FY21 BUDGET STATUS REPORT
as of 12 June 2021

School Committee Recap Sheet	Description	FY21 Budget	YTD Actual	Encumbrance	Remaining Balance	Year End Projection	Dollar Variance	Percent Variance	Notes
A1	Administrative Central Office, Principals & Unit B	\$ 3,255,790	\$ 3,135,586	\$ 118,583	\$ 1,621	\$ 3,254,169	\$ 1,621	0.0%	Close to budget
A2	Unit A (Teachers & Nurses)	\$ 41,746,908	\$ 34,680,434	\$ 8,306,678	\$ (1,240,204)	\$ 42,987,112	\$ (1,240,204)	-3.0%	Over budget due to add'l staff needs from Covid and remote mode
A3	Aides/ABA/Paraprofessionals	\$ 7,306,915	\$ 5,964,300	\$ 568,224	\$ 774,391	\$ 6,603,274	\$ 703,641	9.6%	Under budget due to ongoing vacancies and remote learning mode
A4	Secretaries, Technology & Other Non-Represented	\$ 2,292,688	\$ 2,118,121	\$ 253,446	\$ (78,879)	\$ 2,416,647	\$ (123,959)	-5.4%	Shift support staff costs-no revenue for ESC, FDk, PreK
A5	Substitutes - Daily, Long Term & Sub Nurses	\$ 900,900	\$ 454,575	\$ 9,400	\$ 436,925	\$ 557,255	\$ 343,645	38.1%	Running under on daily substitutes
A6	Other Wages (See Note 1)	\$ 822,450	\$ 808,270	\$ -	\$ 14,180	\$ 817,770	\$ 4,680	0.6%	Under budget for Summer SPED & student activity costs
A7	Employee Benefits	\$ 396,750	\$ 122,572	\$ -	\$ 274,178	\$ 350,364	\$ 46,386	11.7%	Under budget in Tuition Reim. to staff
B1	Regular Education & Voke Transportation	\$ 2,996,624	\$ 2,057,014	\$ 608,150	\$ 331,460	\$ 2,788,257	\$ 208,367	7.0%	Project under for Athletics, Vocational, Summer SPED
B2	Special Education Transportation	\$ 1,291,750	\$ 639,870	\$ 167,654	\$ 484,226	\$ 807,524	\$ 484,226	37.5%	Decreased expense for Summer SPED and bus monitors
C1	Special Education Tuitions (See Note 2)	\$ 1,721,469	\$ 1,721,469	\$ -	\$ -	\$ 1,546,173	\$ 175,296	10.2%	Assumes \$4.2M use in Circuit Breaker funding
C2	Vocational & Recovery H.S. Out of District Tuitions	\$ 2,039,117	\$ 1,851,761	\$ -	\$ 187,356	\$ 1,851,761	\$ 187,356	9.2%	Under estimated Assabet Valley Tech. H.S. enrollment
D1	Administrative Contracted Services	\$ 599,028	\$ 582,857	\$ 34,719	\$ (18,548)	\$ 623,281	\$ (24,253)	-4.0%	No Gates Receipts--officials cost shifted to operating budget
D2	Educational Contracted Services	\$ 646,910	\$ 314,782	\$ 131,441	\$ 200,687	\$ 440,584	\$ 206,326	31.9%	Under budget in Special Education contract services due to Covid
D3	Textbooks/Curriculum Materials/Inst. Equipment	\$ 176,104	\$ 224,769	\$ 7,204	\$ (55,869)	\$ 231,973	\$ (55,869)	-31.7%	Add'l costs for student desks not fully covered by Covid grants
D4	Professional Development	\$ 160,885	\$ 101,042	\$ 6,130	\$ 53,713	\$ 118,847	\$ 42,038	26.1%	Less spent on conferences, dues, PD stipends
D5	Educational Supplies & Materials	\$ 263,689	\$ 146,470	\$ 148,627	\$ (31,408)	\$ 295,097	\$ (31,408)	-11.9%	Made needed investments in K-12 curriculum
D6	Other Miscellaneous (i.e. Off. Supp., Ref. Mat.)	\$ 705,966	\$ 697,941	\$ 123,369	\$ (115,344)	\$ 850,568	\$ (144,602)	-20.5%	Upgrades to Sherwood and S.H.S. security systems
D7	Equipment	\$ 593,340	\$ 577,642	\$ -	\$ 15,698	\$ 577,642	\$ 15,698	2.6%	Close to budget
D8	Utilities - Telephone Exp.	\$ 78,000	\$ 31,668	\$ 711	\$ 45,621	\$ 42,279	\$ 35,721	45.8%	Decreased capital cost due to new system
Total:		67,995,283	56,231,143	10,484,336	1,279,804	67,160,577	834,706	1.2%	
Percentages			82.7%	15.4%	1.9%	98.8%			

Additional Costs Not Included Above		
Special Education Tuition Costs	\$ (744,706)	Use less Circuit Breaker funding than originally planned
Food Service Deficit	\$ (75,000)	Projected deficit due to drop in daily participation from remote/hybrid modes
Health Insurance	\$ (15,000)	May need funds to cover staff funded by fee-based programs
Net Projected Year End Financial Status	\$ -	0.0%

Note 1 Other Wages includes clubs/activities stipends, custodian & police details, extra duty & mentoring stipends, Summer Special Education salaries, and crossing guards.

Note 2 SPED Tuition is net \$4.2M use of Special Education Circuit Breaker Reimbursement funding.

See accompanying written report for more details on this information.