



Shrewsbury Public Schools

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To: School Committee

Subj: FY2024 BUDGET STATUS UPDATE

Overview

Attached you will find the FY24 Budget Status Update spreadsheet. It is a recap of our \$83,086,622 district appropriated budget as approved by Town Meeting on May 15, 2023. This plan provided a 4.75% increase over FY23 in connection with the Override Agreement between the Select Board and School Committee, which is currently in year three of the minimum four year agreement.

The enclosed report retains the 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 December 21, 2023, which is approximately 50% of the way through our fiscal year and 42% into the school year-based on the number of school days.

This budget update is a mid-year snapshot with variables that will continue to evolve through the second half of FY24. Regardless, our FY24 General Fund (Town Meeting) Appropriation will be fully expensed as projected in the attached summary.

General Fund [Town Meeting] Appropriated Budget

Detailed on the following page is more information on categories A, B and C of our budget. Category D expenses are mostly “discretionary” and used for equipment, materials, and professional development. At this point of the fiscal year, it is projected that those categories will be on budget and fully expended. Based on expenditures as of late December and encumbrances through the end of the fiscal year, along with updated projections, you will see that we currently project a one-half of one percent positive variance (\$422,281 or 0.51%)

Overall, I consider our overall appropriated budget “stable” and projected to be fully expended by year end.

Category	Description	Projected Variance Percent	Notes: Includes some major examples of reasons for over/under budget variances
A1	Administrative Central Office, Principals, & Unit B	< 1% under	On pace to meet the estimated budget for individual contracts in this category
A2	Unit A [Teachers & Nurses]	< 1% under	Trending slightly under given the result of ongoing turnover due to resignations and hires
A3	Aides/ABA/ Paraprofessionals	6% under	Trending under due to personnel turnover and vacancies
A4	Secretaries, Technology & Other Non-Represented	< 1% under	On pace to meet the estimated budget with adjustments due to personnel turnover
A5	Substitutes: Daily, Long-term, and Nurses	4% under	Although currently under, this percentage is on pace with projected substitute use for the full school year
A6	Other Wages	8% over	Greater staffing costs for summer special education programs based on student enrollment needs
A7	Employee Benefits	3% over	Projected over, due to number of Unit A staff to receive Sick Leave sell back upon retirement benefit being slightly over projection
B1	Regular Education & Voke Transportation	2.5% over	Impact of mandated McKinney-Vento homeless transportation and Foster Care increases related to changes in enrollment demographics
B2	Special Education Transportation	2% over	Running over for out-of-district transportation due to higher rates for alternative providers where usual provider lacks capacity
C1	Special Education Tuitions	8% over	Year-end forecast running over due to new or changes in placements and anticipated costs for remainder of FY24

C2	Vocational Tuitions	5% under	Budgeted for a total of 51 students incl. 1 9th grader. Oct. 1 st enrollment was 47 students with zero 9th graders at Assabet and one 9th grader at an agricultural high school
D1-D8	Equipment, materials, contracted services, professional development	Projected on budget	Will need to monitor areas of potential need such as continued attention to IT and cybersecurity

Circuit Breaker Fund

We began FY24 with a fund balance of \$3,402,264 on account. This is the maximum allowable amount to carry forward from FY23. In setting the FY24 Budget, the School Committee agreed to target a 75% carry-forward at the close of the fiscal year (\$2.63 million), which is considered a strong reserve to achieve financial goals and reduce budgetary risk given the volatility of out-of-district tuition cost increases and other potential needs.

Special Education Out-of-District Tuitions are projected above budget for FY24 due to new and changed placements and anticipated new costs (some related to student mental and behavioral health issues) through the end of the 2023-2024 school year. However, because we are projecting a slight positive variance for the overall appropriated budget based on variances in other categories, we currently do not anticipate using additional Circuit Breaker reserve funds to balance the FY24 Budget. The strength of this reserve provides assurance that if student needs for out-of-district placements or other expenses go beyond our current projections, those costs can be absorbed through the reserve without disruption elsewhere in the program.

Covid Funding

Shrewsbury Public Schools, like all other school districts, received significant federal and state Covid Relief Funding via grants. In the chart below is the summary status of the Elementary and Secondary School Emergency Relief funds or so called “ESSER grants” which is one-time federal funding received by all school districts across the nation depending on student population and socio-economics. ESSER-3 funds will continue to be used in fiscal year 2024 [23-24 school year] to support targeted programs directed towards the recovery of learning loss from Covid-19 and will be fully expended prior to the September 2024 deadline.

Grant	Amount	Expended and Encumbered	Percent Expended and Encumbered as of 12.21.23	Deadline for Use
ESSER-1	\$162,060	\$162,060	100%	9/30/2022
ESSER-2	\$557,280	\$557,280	100%	9/30/2023
ESSER-3	\$1,229,980	\$1,121,980	91%	9/30/2024
Totals	\$1,949,320	\$1,841,320	94%	

Emergency Homeless Grants

Shrewsbury is housing 52 students in our Emergency Homeless Shelter. We receive grant funding in the forms of:

- 1) Homeless Emergency Support Grant, which provides \$1,000 for each student enrolled in our district from an emergency shelter for initial needs (such as technology, supplies, etc. This is estimated to provide about \$52,000 in funds as of our current enrollment.

- 2) Expanded Homeless Shelter Funding Program, which provides \$104 per student per day for the time they are enrolled in our district, which is estimated to provide more than \$900,000 in FY24 if we have an average membership of 52 eligible students for the entire year.

Based on the above, depending on how long students remain at the shelter, the amount of state funding should cover the expenses we are estimating we will incur specifically for these students.

McKinney-Vento Homeless Transportation

An area where Emergency Homeless programming impacts the appropriated budget is the McKinney-Vento line item in the Regular Education Transportation budget. The McKinney-Vento Homeless Assistance Act reimburses transportation for homeless students at a percentage for homeless students whose ‘home’ district is Shrewsbury but live outside of Shrewsbury, or vice-versa. Funds reimbursed by the state trail until the following fiscal year, and those funds go directly to the Town, though expenses are paid through the School Department appropriated budget. The FY24 amount budgeted for McKinney-Vento homeless transportation is \$81,885, and we have already spent and encumbered \$160,890 for this year, so we are currently projected to run \$79,005 over the amount in our budget (again, some percentage of this will be reimbursed directly to the Town in FY25). We anticipate that we will likely incur additional McKinney-Vento expenses beyond that amount through the remainder of FY24 due to additional families being moved from the emergency shelter to other communities and being eligible to be transported back to Shrewsbury for the remainder of the school year.

	actual expensed to date	encumbered through 6/12/24	total projected for McKinney-Vento
McKinney-Vento transportation	\$35,205	\$125,685.00	\$160,890.00
		FY24 budgeted	81,885
		Difference	-79,005

Closing Note

As stated above, we will fully expend our FY24 General Fund (Town Meeting) Appropriation. We will continue to monitor all costs and update projections during the course of the year, with particular attention to student needs (especially potential out-of-district placements), staffing, transportation, and IT and cybersecurity needs.

Please see the recap spreadsheet enclosed with this report below for specific amounts.

Fiscal Year 2024 Budget Update - January 10, 2024

School Committee Recap Sheet	Description	FY24 Budget	YTD Actual	Encumbrance	Year End Projection	Dollar Variance	Percent Variance
A1	Administrative Central Office, Principals & Unit B	\$ 4,106,553	\$2,214,491	\$1,890,399	\$4,104,890	\$1,663	0.04%
A2	Unit A (Teachers & Nurses)	\$ 51,034,125	\$17,461,899	\$33,429,432	\$50,891,331	\$142,794	0.28%
A3	Aides/ABA/Paraprofessionals	\$ 9,437,957	\$3,552,960	\$5,299,898	\$8,852,858	\$585,099	6.20%
A4	Secretaries, Technology & Other Non-Represented	\$ 3,188,772	\$1,530,501	\$1,640,957	\$3,171,458	\$17,314	0.54%
A5	Substitutes - Daily, Long Term & Sub Nurses	\$ 1,363,915	\$580,506	\$725,633	\$1,306,139	\$57,776	4.24%
A6	Other Wages	\$ 1,009,877	\$746,752	\$254,307	\$1,001,059	-\$85,543	-8.47%
A7	Employee Benefits	\$ 477,175	\$125,586	\$369,603	\$495,189	-\$18,014	-3.78%
B1	Regular Education & Voke Transportation	\$ 3,163,993	\$1,549,034	\$1,552,978	\$3,102,012	-\$79,005	-2.50%
B2	Special Education Transportation	\$ 1,138,340	\$465,324	\$699,731	\$1,165,055	-\$24,855	-2.18%
C1	Net Special Education Tuitions	\$ 2,765,483	\$1,261,200	\$1,731,230	\$2,992,430	-\$226,947	-8.21%
C2	Vocational Tuitions	\$ 1,023,219	\$13,177	\$958,043	\$971,220	\$51,999	5.08%
D1	Administrative Contracted Services	\$ 728,072	\$445,064	\$336,314	\$ 728,072		
D2	Educational Contracted Services	\$ 1,040,692	\$245,704	\$329,750	\$ 1,040,692		
D3	Textbooks/Curriculum Materials	\$ 257,076	\$168,831	\$22,344	\$ 257,076		
D4	Professional Development	\$ 176,719	\$115,798	\$10,641	\$ 176,719		
D5	Educational Supplies & Materials	\$ 655,196	\$381,176	\$88,521	\$ 655,196		
D6	Other Miscellaneous (i.e. Off. Supp., Ref. Mat.)	\$ 782,458	\$471,783	\$227,774	\$ 782,458		
D7	Equipment	\$ 692,000	\$728,151	\$2,929	\$ 692,000		
D8	Utilities - Telephone Exp.	\$ 45,000	\$17,704	\$1,426	\$ 45,000		
	Total Budget	\$ 83,086,622	\$32,075,641	\$49,571,910	\$82,664,341	\$422,281	0.51%