



# Shrewsbury Public Schools

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April 10, 2024

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 \$83,086,620 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 March 27, 2024, which is approximately 75% of the way through our fiscal year and 72%, or 130 days through the 180 day school year.

This budget update is a snapshot through three quarters of the budget cycle with variables that will continue to evolve through the final quarter in preparation for closing out Fiscal Year 2024. This forecast is projecting a modest availability of unexpended funds that can be leveraged for FY25 planning or one-time expenses prior to the close 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, contracted services and professional development. At this later point in the fiscal year, it is projected that those categories will be on budget and fully expended. **Based on expenditures to date and encumbrances through the end of the fiscal year including updated projections, you will see that we currently project a slightly more than one-half of one percent positive variance (\$464,542 or 0.56%).**

Overall, I consider the FY24 appropriated budget “stable” and projected to be fully expended by year end.

<b>Category</b>	<b>Description</b>	<b>Projected Variance Percent</b>	<b>Notes: includes some major examples of reason for over/under budget variance</b>
<b>A1</b>	Administrative Central Office, Principals, & Unit B	1.5% under	On pace to meet the estimated budget for individual contracts in this category
<b>A2</b>	Unit A (Teachers & Nurses)	< 1% under	Highly stable despite being the largest single category; trending slightly under based on ongoing personnel activity (leaves, resignations, etc.)
<b>A3</b>	Aides, ABA, Paraprofessionals	4.8% under	Trending under due to personnel turnover and vacancies
<b>A4</b>	Secretaries, Technology & Other Non-Represented	1.7% over	Temporary increased staffing for overlap and ongoing training due to payroll retirements; IT overtime to meet system demand; summer additional courier work clearing out warehouse
<b>A5</b>	Substitutes- Daily, Long-Term, Nurses	6% under	Actual and projected costs through remainder of the year
<b>A6</b>	Other Wages	< 1% under	On pace to meet the estimated budget for individual contracts in this category
<b>A7</b>	Employee Benefits	> 1% over	Trending slightly over due to slightly greater than estimated sick leave sellback for retiring educators
<b>B1</b>	Regular Education and Vocational Transportation	4% over	Over budget due to higher than projected McKinney-Vento mandated Homeless and Foster Care transportation costs (both shelter and non-shelter homeless students)
<b>B2</b>	Special Education Transportation	2.2% over	Trending slightly over due to higher rates for alternative providers where usual provider lacks capacity

<b>C1</b>	Special Education Tuitions	3.5% over	Trending over due to the fluctuations of census of students in out-of-district placements, including newly eligible students
<b>C2</b>	Vocational & Recovery High School Tuitions	4.9% under	Adjusted projections with two students added to Assabet Grade 9 for final trimester
<b>D1-D8</b>	Equipment, Materials, Contracted Services, Professional Development	Projected on budget, except Contracted Services is running 7% over	Will continue to monitor areas of potential need with continued attention to Contracted Services, IT, and Cybersecurity. Contracted Services running over due to contracted psychological services to cover for vacancies in school psychologist positions, but these are offset by those reduced salary costs)

**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 now projected above budget for FY24 by \$98,324 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. With the current overall positive variance, this projected overage in the C-1 category would not require additional use of Circuit Breaker funding, as it is offset by positive variances in other categories.

**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.

<b>Grant</b>	<b>Amount</b>	<b>Expended and Encumbered</b>	<b>Percent Expended and Encumbered as of 12.21.23</b>	<b>Deadline for Use</b>
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 continues to educate 52 students from 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’s General Fund, though expenses are paid through the School

Department appropriated budget. The FY24 amount budgeted for McKinney-Vento homeless transportation is \$81,885. Please note that as of March 27th, we have spent and encumbered \$291,229, so we are currently projected to run \$209,344 over the amount in our budget (again, some percentage of this will be reimbursed directly to the Town in FY25 or sooner). 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 Expense to Date	Encumbered through 3/27/24	Total Projected for McKinney-Vento Transportation
<b>McKinney-Vento Transportation</b>	<b>\$76,710</b>	<b>\$214,519</b>	<b>\$291,229</b>
		FY24 budgeted	<b>\$81,885</b>
		Difference	<b>-\$209,344</b>

**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, contracted services, and IT and cybersecurity needs.

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

**Fiscal Year 2024 Budget Update- April 10, 2024**

School Committee Recap Sheet	Description	FY24 Budget	YTD Actual	Encumbrance	Year End Projection	Dollar Variance	Percent Variance
<b>A1</b>	Administrative Central Office, Principals & Unit B	\$ 4,106,553	\$ 3,027,718	\$ 1,015,671	\$ 4,043,389	\$ (63,164)	-1.54%
<b>A2</b>	Unit A (Teachers & Nurses)	\$ 51,034,125	\$ 31,127,129	\$ 19,719,120	\$ 50,846,249	\$ (187,876)	-0.37%
<b>A3</b>	Aides/ABA/Paraprofessionals	\$ 9,437,957	\$ 5,659,639	\$ 3,326,299	\$ 8,985,938	\$ (452,019)	-4.79%
<b>A4</b>	Secretaries, Technology & Other Non-Represented	\$ 3,188,772	\$ 2,319,440	\$ 922,843	\$ 3,242,283	\$ 53,511	1.68%
<b>A5</b>	Substitutes - Daily, Long Term & Sub Nurses	\$ 1,363,915	\$ 873,419	\$ 403,140	\$ 1,276,559	\$ (87,356)	-6.40%
<b>A6</b>	Other Wages	\$ 1,009,877	\$ 813,598	\$ 188,179	\$ 1,001,777	\$ (8,100)	-0.80%
<b>A7</b>	Employee Benefits	\$ 477,175	\$ 125,101	\$ 358,309	\$ 483,410	\$ 6,235	1.31%
<b>B1</b>	Regular Education & Voke Transportation	\$ 3,163,993	\$ 2,725,878	\$ 565,996	\$ 3,291,874	\$ 127,881	4.04%
<b>B2</b>	Special Education Transportation	\$ 1,138,340	\$ 836,698	\$ 326,885	\$ 1,163,583	\$ 25,243	2.22%
<b>C1</b>	Net Special Education Tuitions	\$ 2,765,481	\$ 1,718,284	\$ 1,145,520	\$ 2,863,804	\$ 98,323	3.56%
<b>C2</b>	Vocational Tuitions	\$ 1,023,219	\$ 481,035	\$ 492,570	\$ 973,605	\$ (49,614)	-4.85%
<b>D1</b>	Administrative Contracted Services	\$ 728,072	\$ 470,758	\$ 257,314	\$ 728,072	\$ -	0.00%
<b>D2</b>	Educational Contracted Services	\$ 1,040,692	\$ 777,542	\$ 335,544	\$ 1,113,086	\$ 72,394	6.96%
<b>D3</b>	Textbooks/Curriculum Materials	\$ 257,076	\$ 245,497	\$ 11,579	\$ 257,076	\$ -	0.00%
<b>D4</b>	Professional Development	\$ 176,719	\$ 157,690	\$ 19,029	\$ 176,719	\$ -	0.00%
<b>D5</b>	Educational Supplies & Materials	\$ 655,196	\$ 599,444	\$ 55,752	\$ 655,196	\$ -	0.00%
<b>D6</b>	Other Miscellaneous (i.e. Off. Supp., Ref. Mat.)	\$ 782,458	\$ 693,704	\$ 88,754	\$ 782,458	\$ -	0.00%
<b>D7</b>	Equipment	\$ 692,000	\$ 679,478	\$ 12,522	\$ 692,000	\$ -	0.00%
<b>D8</b>	Utilities - Telephone Exp.	\$ 45,000	\$ 43,984	\$ 1,016	\$ 45,000	\$ -	0.00%
	<b>Total Budget</b>	<b>\$ 83,086,620</b>	<b>\$ 53,376,036</b>	<b>\$ 29,246,042</b>	<b>\$ 82,622,078</b>	<b>\$ (464,542)</b>	<b>-0.56%</b>