

Belmont Public Schools Amendment to FY18 Budget

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SCHOOL COMMITTEE
MAY 23, 2017

FY18 Draft 2 Budget – Voted at April 25 School Committee Meeting

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FY18 GENERAL FUND BUDGET

	A FY17 BUDGET	B FY18 BUDGET DRAFT 1 2/7/2017	C FY18 BUDGET DRAFT 2 2/13/2017	D CHANGE FY17 TO FY18 DRAFT 2 (C-A)	E CHANGE FY18 DRAFT 1 TO DRAFT 2 (C-B)
Salary & wages: Base	33,075,331	34,452,094	34,452,094	1,376,763	-
Non-Base/Temp Salaries	1,178,500	1,210,875	1,210,875	32,375	-
COLA & Steps/Degrees Incr.	185,903	773,662	773,662	587,759	-
Enrollment Increases	-	-	-	-	-
Sub-tot: Sal. & Wages	34,439,734	36,436,631	36,436,631	1,996,897	-
Health Insurance	5,744,295	6,294,282	6,294,282	549,987	-
Other Employee Benefits	889,939	916,637	916,637	26,698	-
Energy	-	-	-	-	-
Special Educ. Tuitions	4,778,593	4,945,844	4,778,593	-	(167,251)
Special Educ - Transp.	1,128,477	1,207,470	1,207,470	78,993	-
Special Educ - Contr. Svcs.	1,042,715	1,115,705	1,115,705	72,990	-
Dept. Operating Expenses	1,889,260	2,006,491	2,006,491	117,231	-
Equipment	213,570	213,675	213,675	105	-
TOTALS	50,126,583	53,136,735	52,969,484	2,842,901	(167,251)
				5.7%	

FY18 STATE AND FEDERAL GRANTS	3,499,698
FY18 REVOLVING	3,499,232
FY18 TOWN TRANSFER-SHARED IT SUPPORT	35,000

TOTAL GRANTS AND REVOLVING **7,033,930**

GRAND TOTAL - ALL SOURCES **60,003,414**

New Legislation – SPED Reserve Fund (Full Text)

- **Massachusetts General Laws, Chapter 40A, § 13E** - School district reserve funds to pay for unanticipated or unbudgeted costs for special education, out-of-district tuition or transportation
- Section 13E. Any school district which accepts this section, by a majority vote of the school committee and a majority vote of the legislative body or, in the case of a regional school district by a majority vote of the legislative bodies in a majority of the member communities of the district, may establish and appropriate or transfer money to a reserve fund to be utilized in the upcoming fiscal years, to pay, without further appropriation, for unanticipated or unbudgeted costs of special education, out-of-district tuition or transportation. The balance in such reserve fund shall not exceed 2 per cent of the annual net school spending of the school district.
- Funds shall only be distributed from the reserve funds after a majority vote of the school committee and a majority vote of the board of selectman...
- The district treasurer may invest the monies in the manner authorized in section 54 of chapter 44 and any interest earned thereon shall be credited to and become part of the fund.

New Legislation – SPED Reserve Fund (Summary)

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- **Massachusetts General Laws, Chapter 40A, § 13E Highlights**

- Fund established by vote of the School Committee and by vote of Town Meeting
- Fund to be used to pay for extraordinary SPED out-of-district or transportation costs
- Release of funds to pay for expenses is authorized by vote of the School Committee and by vote of the Board of Selectmen
- Any balance in the fund can carry into future fiscal years and remains in the fund until needed and expended
- Fund balance cannot exceed 2% of annual net school spending (approx. \$1M)
- Any interest earned becomes part of the fund

How is the New SPED Reserve Fund Different from the SPED Stabilization Fund the Already Exists?

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- Existing SPED Stabilization Fund requires (2/3) vote of Town Meeting to release funds
 - Those votes are held in May or June
 - May/June votes mean budget freezes starting between October and January
 - Purchases of materials and supplies for the classroom and other School operational expenses are held and/or not made
- New SPED Reserve Fund requires vote of the School Committee and vote of the Board of Selectmen to release funds
 - Votes can be done early enough in the school year to prevent freezes
 - Early approval of Reserve funds allows us to “hold the classroom harmless”

DESE Guidance

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- The Massachusetts Department of Elementary and Secondary Education (DESE) has provided guidance on creating the Special Education Reserve Fund
 - Once the fund is established, the school committee may include a separate line item in their annual budget request to appropriate monies into the stabilization fund.
 - Other areas districts may choose to consider when establishing the fund are:
 - ✦ Maximum balance in the fund
 - ✦ A limit on the amount that can be expended in a fiscal year

<http://www.doe.mass.edu/finance/circuitbreaker/stabilization.html>

How is the FY18 Budget Affected?

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- School Committee vote to add a line item
- FY18 Draft 3 Budget
 - The only change from Draft 2 is the additional of a line item for a Special Education Reserve Fund
 - No change in dollar amount in any line items
 - No funding identified for the SPED Reserve Fund at this time
 - Line item is in anticipation of favorable Town Meeting vote to establish the fund (second of two votes after the School Committee vote), in accordance with DESE guidance

FY18 Draft 3 Special Education Budget (cont.)

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SRC	ORG	OBJ	DESCRIPTION	BUDGET	BUDGET	BUDGET	BUDGET	CHANGE: FY17 VS FY18		
				FY17	FY17	FY18	FY18	FTE	\$	%(\$)
GF	01712520	552900	Spec Educ Books Butler	-	-	-	-	-	-	0.0%
GF	01713510	551000	Spec Educ Supplies Wellington	-	-	-	-	-	-	0.0%
GF	01713520	552900	Spec Educ Books Wellington	-	-	-	-	-	-	0.0%
GF	01714510	551000	Spec Educ Supplies Winn Brook	-	-	-	-	-	-	0.0%
GF	01714520	552900	Spec Educ Books Winn Brook	-	-	-	-	-	-	0.0%
GF	01720510	551000	Spec Educ Supplies Middle Sch	-	-	-	-	-	-	0.0%
GF	01720520	552900	Spec Educ Books Middle Sch	-	-	-	-	-	-	0.0%
GF	01730510	551000	Spec Educ Supplies High Sch	-	-	-	-	-	-	0.0%
GF	01730520	552900	Spec Educ Books High School	-	-	-	-	-	-	0.0%
GF	01750500	551000	Spec Educ Testing Supplies	-	20,000	-	20,000	-	-	0.0%
GF	01750510	551000	Spec Educ Systemwide Supplies	-	15,000	-	15,000	-	-	0.0%
GR	21750500	551000	Educational Supp-SPED Improv	-	-	-	405	-	405	0.0%
GF	01730600	587000	Spec Educ Equip High School	-	-	-	-	-	-	0.0%
GF	01750403	571000	Spec Educ Travel Reim	-	2,000	-	2,000	-	-	0.0%
GF	01750600	587000	Spec Educ Equipment	-	15,000	-	15,000	-	-	0.0%
GF	01750601	573000	Spec Educ Dues and Conf	-	4,000	-	4,000	-	-	0.0%
GF	01750602	573000	Spec Educ Staff Developent	-	7,500	-	7,500	-	-	0.0%
GF	01750691	532100	Spec Educ MA Tuitions	-	903,568	-	903,568	-	0	0.0%
GF	01750692	532200	Spec Educ Out-of-State Tuition	-	150,000	-	150,000	-	-	0.0%
GF	01750693	532300	Spec Educ Private Tuitions	-	1,113,768	-	1,113,768	-	0	0.0%
GF	01750694	532400	Spec Educ Collaborative Tuitio	-	2,611,257	-	2,611,257	-	(0)	0.0%
GR	21750600	571000	In State Travel - SPED Improv	-	30,000	-	2,000	-	(28,000)	-93.3%
GR	21750601	571000	In State Travel - IDEA	-	-	-	40,000	-	40,000	0.0%
GF	01750610	551500	Spec Educ IT Software	-	2,500	-	2,500	-	-	0.0%
SR	TBD*	TBD*	Spec Educ Reserve Fund*	-	-	-	-	-	-	0.0%
LB	N/A	N/A	LABBB SPED Tuition Credit	-	-	-	-	-	-	0.0%
PROGRAM TOTALS - GENERAL FUND				105.44	12,628,508	104.80	12,817,516	(0.64)	189,008	1.5%
PROGRAM TOTALS - GRANTS & REVOLV				-	2,337,759	-	2,646,706	-	308,947	13.2%
PROGRAM TOTALS - ALL SOURCES				105.44	14,966,267	104.80	15,464,222	(0.64)	497,955	3.3%

*At the June 2017 Town Meeting, an article will be presented to establish a Special Education Reserve Fund, as provided for in MGL C. 40A, § 13E. Guidance from the Massachusetts Department of Elementary and Secondary Education (DESE) is that a separate account should be created and included within the School Committee budget. In accordance with this guidance, a line item has been included in the School Committee/School Department FY18 Budget, in anticipation of the Town Meeting vote. If/when the fund is established, an account number (org & obj) will be created. The FY18 Draft 3 Budget reflects the anticipated establishment of the fund only, without consideration of an initial appropriation amount or funding source.

FY18 Draft 3 Special Education Budget - Summary

	BUDGET FY17	BUDGET FY17	BUDGET FY18	BUDGET FY18	CHANGE: FY17 VS FY18		
	FTE	\$	FTE	\$	FTE	\$	%(\$)
Teachers	35.90	3,062,115	35.20	3,044,074	(0.70)	(18,041)	-0.6%
Admin	4.90	368,473	5.00	395,669	0.10	27,196	7.4%
Professional Development	-	68,980	-	95,960	-	26,980	39.1%
Aides	64.64	1,706,134	64.60	1,734,005	(0.04)	27,871	1.6%
Tutoring	-	474,000	-	474,000	-	-	0.0%
Contract Services	-	1,042,715	-	1,115,705	-	72,990	7.0%
Supplies/Materials/Equipment	-	56,500	-	56,905	-	405	0.7%
Transportation	-	1,128,477	-	1,207,470	-	78,993	7.0%
Tuition	-	7,058,872	-	7,340,434	-	281,562	4.0%
Special Education Reserve Fund	-	-	-	-	-	-	0.0%
TOTAL GENERAL FUND	105.44	12,628,508	104.80	12,817,516	(0.64)	189,008	1.5%
TOTAL GRANTS & REVOLVING	-	2,337,759	-	2,646,706	-	308,947	13.2%
TOTAL – ALL SOURCES	210.89	14,966,267	104.80	15,464,222	(0.64)	497,955	3.3%

FY18 Draft 3 Budget

- The School Department Administration is recommending and requesting that the School Committee vote to:
 - Establish a Special Education Reserve Fund, in accordance with MGL C40A, §13E
 - Amend its vote of the FY18 Budget of April 25, 2017 by approving the FY18 Draft 3 General Fund Budget of \$52,969,484; and a total budget, which also includes anticipated state and federal grants, and revolving fees of \$60,003,414; and that the FY18 Draft 3 Budget includes a new line item for a Special Education Reserve Fund, funded at zero dollars

Next Steps

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- The FY18 School Budget will be presented to Town Meeting for approval in June 2017
- If the Special Education Reserve fund is approved for establishment by Town Meeting; the Town, the School Committee and the School Department will need to identify funding for the account including:
 - When to fund account
 - What initial amount will be funded
 - From what source(s) will the account be initially funded