

As presented to the School Committee during the First Quarter Budget Status Report, the final state budget actions will result in the reduction of our FY16 budget by \$603,134, primarily due to a reduction of charter school reimbursement totaling \$546,247. The comparison of FY16 budget revenues between the adopted budget and the final state budget are listed below:

<u>Revenue:</u>	FY16 Adopted Budget	FY16 Final State Budget	Difference
Chapter 70 State Aid & Reimbursement:			
Chapter 70 State Aid (Total)	\$231,438,724	\$231,540,738	\$102,014
Charter School Reimbursement	<u>\$2,671,785</u>	<u>\$2,125,538</u>	<u>(\$546,247)</u>
<b>Total Chapter 70 State Aid &amp; Reimbursement</b>	<b>\$234,110,509</b>	<b>\$233,666,276</b>	<b>(\$444,233)</b>
City Contribution			
Amount towards Required Spending	\$99,745,201	\$99,643,187	(\$102,014)
Amount for Non-Net School Spending Items	\$12,546,372	\$12,546,372	\$0
<b>Total City Contribution</b>	<b><u>\$112,291,573</u></b>	<b><u>\$112,189,559</u></b>	<b><u>(\$102,014)</u></b>
Total General Fund Revenues	<b>\$346,402,082</b>	<b>\$345,855,835</b>	<b>(\$546,247)</b>
Less Tuition Assessments:			
Charter School Tuition Assessment	\$24,819,491	\$24,866,852	\$47,361
School Choice Tuition Assessment	\$2,641,818	\$2,651,386	\$9,568
Special Education Revenue Offset	<u>\$147,660</u>	<u>\$147,618</u>	<u>(\$42)</u>
<b>Total Tuition Assessments</b>	<b><u>\$27,608,969</u></b>	<b><u>\$27,665,856</u></b>	<b><u>\$56,887</u></b>
<b>Total General Fund Revenue:</b>	<b>\$318,793,113</b>	<b>\$318,189,979</b>	<b>(\$603,134)</b>

It will be necessary to reduce the budget to reflect the final state budget and the final City budget based upon the tax recap process approved on December 8, 2015.

Based on the City Manager's recommendation and approved by the City Council, there is no reduction in the city's contribution even though it was allowed by the state formula and those funds will remain in the WPS budget. A majority of these funds have been used to cover the cost of the school safety and security assessment that has been completed by Good Harbor Techmark, LLC. Therefore, the reduction to the budget will be **\$501,120**.

In order to implement this reduction, the Administration recommends the following:

Reduce Account	Account Name	Amount	From	To
500-91111	Teacher Salaries	-\$501,120	\$156,764,088	\$156,262,968

As described in the First Quarter Budget Status Report, the balance in the Teacher Account resulted from restoring Pre-K teachers to the Title I grant from the general fund based on the final actual FY16 grant award. There is no reduction of teacher positions or any other budget impact at this time as a result of this recommended transfer.

In addition to this final budget adjustment, at some point during the year, the City will provide an additional approximately \$145,000 for the first year planning costs for the Advanced Academy High School program. Staffing for these positions are underway and the estimated annual cost for this year has been provided to the City.

Based on City Council action to set the City's tax rate, it is necessary for the School Committee to adopt a revised, final FY16 Budget in the amount of \$318,291,993.