

FY20 BUDGET UPDATE – House Ways and Means Budget

The House Ways and Means Committee (HWM) released the initial House of Representatives FY20 proposed budget on April 10, 2019. As has occurred in the past, the City Manager and WPS Administration uses state funding in this version of the state budget as the basis for the annual budget recommendations to be contained in the annual budget book. We have recently reconciled these numbers with the City Administration and will use this funding in the FY20 Budget that will be released on May 10, 2019.

The HWM budget included an increase of an additional \$852,228 in Chapter 70 aid funds, mostly attributed to English Learner funding (and not adopting to the Governor's proposal to reduce the qualifying numbers of English learners in the increment). There was also a reduction in the charter school tuition assessment based on current enrollments in charter schools for next year). Overall, the HWM budget provides \$1.2 million more in funds next year, representing a total budget increase of \$19.9 million over the current spending level.

Attached is the presentation that the Administration will provide at the Budget Hearing tomorrow evening at 7pm in Room 410 of the Durkin Administration Building. Overall, the FY20 budget will reflect an \$11 million increase for level services next year (inflation costs to maintain the same number of positions and programs next year); leaving \$8.6 million to address chronic foundation budget underspending and the district's new Strategic Plan.

The investment of new spending is certainly very much a welcomed change as compared to the budget process of the past fifteen years. However, given the significant underfunding of positions, services, and programs, the allocation of the new funds are also very challenging as the needs far exceed this level of funding.

As shown on Slide 13 (page 7) of the attached handout of the presentation, the District Managers identified \$21.6 million in new, urgent spending requests from schools for next year. All of these areas are very much needed but only about 40% of these requests can be funded next year.

We also continue advocacy for adoption of the Foundation Budget Review Commission (FBRC) recommendations, including funding for economically disadvantaged students at the highest level recommended by the FBRC. We will continue to monitor the state budget process and make recommend adjustments to the budget based on the adopted state budget later this spring.

FY20 Budget Hearing

Review of Budget Status and
Community Input Session

Standing Committee on Finance and Operations
April 23, 2019



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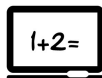
FY20 Budget Themes



Modest Inflation Growth (3.75%)



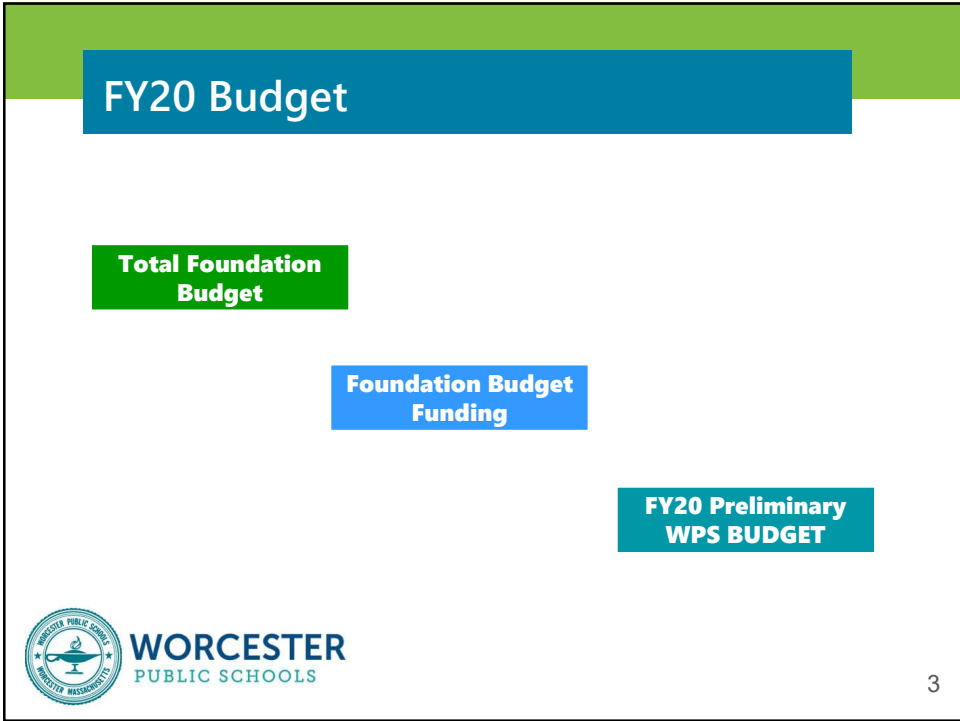
Overall Enrollment Growth



Initial Foundation Budget Funding
Proposals – Governor & House
Budgets Similar




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FY20 Foundation Budget


Total Foundation Budget	Foundation Budget Funding	FY20 Preliminary WPS BUDGET
Foundation Budget	Amount	
FY20 Proposed: Based on FY20 House Ways & Means Budget	\$375,406,831	
FY19 Current Year:	<u>\$353,662,082</u>	
Increase:	\$21,744,749	
	6.15% increase	

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FY20 Foundation Budget

Total Foundation Budget	Foundation Budget Funding	FY20 Preliminary WPS BUDGET
Change from FY19	Amount	
Chapter 70	\$18,118,493	7.2%
City Contribution:	<u>\$3,626,256</u>	3.6%
Increase:	\$21,744,749	




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FY20 House Ways & Means Budget

Change from FY19	Amount
Inflation (3.75%)	\$13,262,328
Enrollment Change (189):	\$1,059,407
Economically Disadvantaged Enrollment (310):	<u>\$1,233,667</u>
Base Foundation Change:	\$15,555,402
FBRC New Funding (next slide)	<u>\$6,189,347</u>
TOTAL	\$21,744,749



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Differences in HWM and GOV Budgets

The HWM proposes the goal rates proposed in H.70 (Governor bill).

- HWM proposes to close one-sixth of the gap toward the H.70 goal rates, compared to one-seventh proposed in Governor's budget for:
 - benefits and fixed charges,
 - economically disadvantaged deciles 6–10,
 - out-of-district special education
- HWM includes all reported English learners in foundation enrollment and maintains the House 1 and H.70 EL rates.
- HWM Does not fund the high needs concentration increment proposed in H.7 and removes the early college and career pathways rate proposed in House 1 and includes all "pathways students" at the regular high school rate.



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Comparison of FY20 Budget Proposals

FBRC New Funding*	Gov	HWM	Difference
Employee Benefits	\$2,943,186	\$3,138,379	\$195,193
English Learners	\$2,148,634	\$3,021,677	\$873,043
Special Ed. – Out of District	\$258,326	\$301,380	\$43,054
Early College/Career Pathways	\$160,233	\$0	-\$160,233
Eco Dis. & Special Ed. In district*	-\$173,260	-\$272,011	-\$98,751
TOTAL	\$5,337,119	\$6,189,425	\$852,306




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* Eco Dis Rate Change Adjusted for Inflation and Excludes Employee Benefits Portion of Rate Change. Special Education In District Rate adjusted for inflation

Foundation Budget → FY20 BUDGET

Total Foundation Budget	Foundation Budget Funding	FY20 WPS BUDGET
Change from FY19		Amount
Foundation Budget		\$21,744,749
Less Charter Schools and School Choice:		-\$1,875,402
State Impact Aid Funding		<u>-\$300,000</u>
Budget Increase:		\$19,569,347



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5.8% increase

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FY20 BUDGET PLANNING

Total Foundation Budget	Foundation Budget Funding	FY20 WPS BUDGET
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- Develop Level Service Cost Increases
- Address Enrollment Shifts & Changes
- Target New Funds to Foundation Budget Gaps




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FY20 BUDGET PLANNING

Total Foundation Budget	Foundation Budget Funding	FY20 WPS BUDGET
Level Service Budget		Amount (\$in millions)
Employee Salaries		\$5.5
Employee Benefits		\$3.3
Transportation		\$0.9
Tuition		\$0.6
All Other Accounts		<u>\$0.7</u>
Total Cost Increase		\$11.0




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FY20 BUDGET PLANNING

Total Foundation Budget	Foundation Budget Funding	FY20 WPS BUDGET
Budget Summary		Amount (\$in millions)
Budget Increase		\$19.6
Level Service Increase Needed		<u>\$11.0</u>
<i>Available for New Spending</i>		\$8.6



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FY20 BUDGET PLANNING

Total Foundation Budget

Foundation Budget Funding

FY20 WPS BUDGET

New Spending Requests: \$21.6 million

42 Secondary Teachers	\$3.6 million	Additional Chromebooks (2:1-K-2, 1:1 Grades 7-12)	\$0.7 million
30 ESL Teachers	\$2.6 million	9 School Nurses Clinical Care Positions	\$0.6 million
23 Special Education Teachers	\$2.0 million	Instructional Supplies and Professional Development	\$0.6 million
19 Elementary Teachers	\$1.9 million	Student Information System	\$0.5 million
21 Student Support Positions	\$1.8 million	12 ESL Tutors	\$0.3 million
38 Special Education Instructional Assistants	\$1.5 million	10 Literacy Tutors	\$0.2 million
11 Guidance Counselors	\$1.0 million	34 School and District Support Positions*	\$2.7 million
9 Assistant Principals	\$0.9 million		
8 Pre-K Enrichment	\$0.7 million		

* Instructional Coaches, Curriculum Specialists, clerical support, and administrative support

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FY20 Budget Calendar

February-March
School and District Resource Allocation Meetings to develop budget priorities and recommendations

April 17
House of Representatives Budget Released (Expected Date). This budget is used to develop budget recommendations to School Committee

May 10
FY20 Budget to be submitted to School Committee and posted on district website

April 23, 2019
Standing Committee on Finance and Operations Public Budget Hearing

June 6 & 20
School Committee Budget Hearings

FBRC
On-going monitoring and advocacy for Foundation Budget Review Commission Recommendations

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