

Worcester Public Schools
FY 21 BUDGET UPDATE: Revised Governor's Budget
October 14, 2020

On October 14, 2020, the Governor provided a further revised FY21 state budget information, including Chapter 70 state aid, as well as charter school tuition and reimbursements for school districts. This state funding commitment again only includes Chapter 70 increases for inflation and enrollment only, that while will keep all school districts at foundation, the budget does not include any of the funding for the phase-in of the Student Opportunity Act (a loss of \$15.5 million).

The biggest change in this updated budget is revised charter school tuition assessments for the current year, overall reflecting a further reduction of **\$825,021** from the budget for the Worcester Public Schools. Overall, the budget of the Worcester Public Schools has been reduced \$16.3 million, or -4.2%, from the amount adopted in June 2020.

Revenue and Tuition Offset Category:	FY21 Adopted Budget (based on Governor's Budget)	FY21 Revised Baseline Budget (7/30/20)	FY21 Revised Governor's Budget (10/14/20)	Change from Revised Baseline Amount
Chapter 70 State Aid & Reimbursement:				
Chapter 70 State Aid (Total)	293,503,420	277,395,997	277,395,997	\$0
Charter School Reimbursement	\$4,490,822	\$2,763,726	<u>\$2,746,423</u>	-\$17,303
Total City Contribution	<u>\$123,327,975</u>	<u>\$123,327,975</u>	<u>\$123,327,975</u>	\$0
Total General Fund Revenues	\$421,322,217	\$403,487,698	\$403,470,395	-\$17,303
Less Tuition Assessments:				
Charter School Tuition Assessment	\$29,496,484	\$27,154,480	\$28,085,167	\$930,687
School Choice Tuition Assessment	\$3,176,771	\$3,176,771	\$3,045,212	-\$131,559
Special Education Revenue Offset	<u>\$193,758</u>	<u>\$193,758</u>	<u>\$202,348</u>	\$8,590
Total Tuition Assessments	<u>\$32,867,013</u>	<u>\$30,525,009</u>	<u>\$31,332,727</u>	<u>\$807,718</u>
Total General Fund Revenue	<u>\$388,455,204</u>	<u>\$372,962,689</u>	<u>\$372,137,668</u>	<u>-\$825,021</u>

For current planning purposes, pending further state or federal resolution on funding, the district must prepare for an additional budget reduction of \$825,021. The Administration will make a recommendation to the School Committee as part of the First Quarter Budget Status Report at the Standing Committee on Finance and Operations.

Again, it should be noted that final actions by the School Committee will not be taken until a final budget is adopted by the State Legislature as well as the Worcester City Council. However, to be prepared for this current budget reduction, the Administration must implement actions immediately in order to achieve necessary savings.