

Lowell Public Schools

**Budget Update**  
**July 15, 2020**



# AGENDA

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1. FY21 Revenue
2. Important Benchmarks
3. Next Steps
4. Recommendations

# FY21 Revenue

## Chapter 70 Aid

- 1) **State is still forecasting a \$6-\$7 billion revenue shortfall and has not yet released any official information on the impact of that shortfall on local school districts.**
- 2) **Governor Baker has authorized level funding for 1/12<sup>th</sup> continuation budgets for July and August**
- 3) **The Commissioner of Education has recommended for local districts to plan utilizing a “level services plus” assumption. However, the Commissioner has no authority to appropriate funds and has articulated that there is no assurance of any specific funding level. Level service funding still appears very unlikely.**

## Grants

- 1) **Federal title grant allocations totaling \$7,252,177 were released. Two of the four title grants were reduced and two were increased. The net effect is \$27,827 more than last year.**
- 2) **CARES/ESSER grant funds: Application for \$4,184,332 was submitted on June 30, 2020.**
- 3) **MA COVID Relief opportunities: Funds for PPE (possibly \$225/student) and possible reimbursement for technology purchases related to COVID (chromebooks)**

## Important Budgeting Benchmarks

### Staffing

- June 15<sup>th</sup> – deadline for teacher layoff notices
- July 20<sup>th</sup> – deadline for layoff notices for LSAA
- August 1<sup>st</sup>- last date to lift the hiring freeze to prepare for school opening on September 2<sup>nd</sup>  
(*\*minimum time required to hire, reassign and onboard staff*)

### School Reopening

- August 1<sup>st</sup> – release of school reopening plan
- September 2<sup>nd</sup> – first day of school

### Continuation/Month to Month Budget

- June 8<sup>th</sup>, 2020 – SC adopted the 1/12<sup>th</sup> budget for July 2020
- July 23<sup>rd</sup> – Consideration of a 1/12<sup>th</sup> budget for August to align with the City
- Maintaining a 1/12<sup>th</sup> budget for the entire month of August **could significantly compromise school opening**  
→ Adoption of an annual budget is needed by 8/19 in order to cover salaries of 10 month employees who return to payroll in September

GF = General Fund

FY21 FTE	General Fund	FY21 FTE	Grants/Offsets
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General Fund Change	July 1/12	Aug 1/12	Sept 1/12
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<b>TOTAL:</b>
<b>GRAND TOTAL</b>

	\$ 6,300,000	\$ 4,150,000
1923.0	\$ 186,108,864	267.2 \$ 15,931,671

\$ (551,540)	\$ 525,000	\$ 525,000	\$ 525,000
\$ 6,725,716	\$ 5,689,943	\$ 7,675,577	\$ 16,661,889

- The 1/12<sup>th</sup> budget for LPS would have fluctuating costs per month as reflected in the highlighted section.
- The 1/12<sup>th</sup> budget listed here is based on FY 19/20 spending.
- Starting paychecks for each of the unions differ. Twelve month employees start in July whereas teachers don't get first paycheck for FY21 until September.

## Next Steps

### Month of July

- **Full cost analysis of expenses related to school reopening plans**
- **Weekly public presentations and discussions of that cost analysis with the School Committee during finance subcommittee meetings, open budget hearings or alternative venue/forum to coincide with community forums on school opening.**

***\*\*Adoption of an annual budget ahead of August 1<sup>st</sup> release of final school opening plan.***



# Recommendations

Schedule Finance Subcommittee Meetings and Special School Committee Meetings to discuss/approve the LPS Reopening Plan for SY20/21

a) July 23 – 5:30 Finance Subcommittee; 6:30 Special Meeting of the SC

*\*Consideration of a 1/12<sup>th</sup> budget for August 2020*

b) July 29 – 5:30 Finance Subcommittee; 6:30 Special Meeting of the SC

