

School Committee Finance Subcommittee
Monday, June 3, 2024
5:00 PM – 6:20 PM
Remote via Zoom

Finance Subcommittee members present: Mariah Nobrega (Chair), Valerie Frias, and Carolyn Thall.

Finance Subcommittee members absent: Sarah Moghtader.

Other School Committee members present: Helen Charlupski, Steven Ehrenberg, Suzanne Federspiel, and Jesse Hefter.

Staff present: Linus Guillory, Superintendent; Susan Givens, Deputy Superintendent for Administration and Finance; Diane Johnson, Finance Director; and Betsy Fitzpatrick.

Advisory Committee Schools Subcommittee members present: Ben Birnbaum, Cliff Brown, and Perry Grossman.

Ms. Nobrega called the meeting to order at 5:00pm.

1. Approval of Finance Subcommittee Meeting Minutes: May 15, 2024

On a motion of Ms. Nobrega, and seconded by Ms. Frias, the Finance Subcommittee voted unanimously, by roll call, with 3 in favor (Ms. Nobrega, Ms. Frias, and Ms. Thall), 0 opposed, and 0 abstentions, to approve the May 15, 2024 Finance Subcommittee meeting minutes.

2. FY2024 Budget: Financial Report and options to close the remaining gap, and Discussion and Possible Votes on FY24 Budgetary Transfers

Dr. Givens and Ms. Johnson presented this item, including the attached documents: FY24 May 30 Update-June 3, 2024; FY24 Budget Status Report; and Special Revenue Funds as of May 30, 2024. Ms. Johnson discussed the work undertaken by the finance team since the May 15 subcommittee meeting to close the budget gap, including: closing out existing purchase orders; processing invoices; and tightening projections to close out the fiscal year. Due to these efforts, as well as progress utilizing special funds where appropriate, the projected shortfall to close out FY24 has been reduced to \$717,269 (it has previously been projected to be as high as \$1,709,286). She detailed the areas where savings and adjustments have been made including denied expenses, delayed expenses, purchase order closeout, etc. Ms. Johnson noted that purchasing has closed for the year, so reconciling purchase orders will continue and staff hope to see continued savings through that process. With regard to additional compensation payments (payments to staff for work beyond their regular teaching assignments), the full scope of those payments won't be known until the end of the fiscal year. Finally, Ms. Johnson described the impact of the FY24 projected deficit on FY25 budget planning. Increased funding in the transportation, tuition and settlement accounts in the Office of Student Services were included in the FY25 budget, though it may still fall short of expenses based on FY24 overages. However, a new OSS transportation provider is expected to stabilize those costs in FY25. The creation of a staffing roster this year – matched to the educational plan and reconciled with the budget – means the district is in a much better position for next year, and can launch a position control system.

Staff identified an error in the FY24 circuit breaker account that was entered into MUNIS. Circuit breaker is a state program that reimburses school districts for excess special education costs,

on a per student basis, based on a specific formula. The approved FY24 circuit breaker budget amount was \$3,475,572, but the amount entered in MUNIS was \$3,156,936 (which had been the FY23 amount, hence the inadvertent error). By adjusting this account, so that it matches the School Committee approved budget, the projected deficit is reduced by \$318,636, to \$398,633. Staff will continue to identify ways to close this deficit by the end of the year. If a deficit remains, the district will request a reserve fund transfer from the Advisory Committee. If that is not successful, staff will utilize FY25 special revenue sources to close the deficit. More information about the FY25 closeout will be shared at the June 26 Finance Subcommittee meeting.

On a motion of Ms. Nobrega, and seconded by Ms. Frias, the Finance Subcommittee voted unanimously, by roll call, with 3 in favor (Ms. Nobrega, Ms. Frias, and Ms. Thall), 0 opposed, and 0 abstentions, to recommend that the School Committee accept the modification of the FY24 Circuit Breaker Fund budget from \$3,156,936 to \$3,475,572, to match the entire amount of revenue collected in FY23. This change has been approved by the Town Acting Comptroller, Michelle Tejada.

In response to a question from Perry Grossman, Member of the Schools Subcommittee of the Advisory Committee, Dr. Givens shared some of the internal controls that will be implemented to avoid a repeat of a budget shortfall in the future. These steps include: a position control system (a system to manage staffing that directly ties each position to approved funding; hiring only permissible with a position control number); more oversight of the budgeting for additional/extra compensation (the payments to staff who perform work beyond their primary role for things such as homework clubs, affinity groups, school play); close monitoring of contract approvals, for any services from outside vendors; and creation of Standard Operating Procedures (SOPs) to assist budget managers.

3. FY2025 Budget: Update on Enrollment and Sections

Dr. Givens provided an update on FY25 projected enrollment and sections, referencing the attached FY25 Enrollment and Class Size Report. This school-by-school chart includes FY25 projected enrollment, the number of sections in each grade that were approved in the FY25 budget, and the FY25 projected class size based on those sections. In addition, the chart shows the projected enrollment if the number of sections in a grade was collapsed by one. It was noted that kindergarten enrollment is the hardest to predict; we don't have a current cohort of students who are rolling over, and summer (and early September), mark peak time for kindergarten families to register. These numbers also don't reflect the typical churn of students (enrollments and withdrawals across all grades) that Brookline has historically seen every summer. However, based on a review of this enrollment, it was determined that one section of kindergarten at Pierce School will be collapsed in FY25 (going from 4 sections to 3 sections) and one section for the rising 4th grade will be added at Hayes School in FY25 (going from 2 sections to 3 sections). Members asked staff to review other low-enrollment sections across the district to determine if shifts can be made to address high-enrollment sections. Members discussed the recent communications received from Hayes School rising 3rd grade parents and caregivers, who are advocating for an additional section to reduce projected class sizes. Ms. Nobrega noted that Class Size Guidelines will be discussed at the January 26 Finance Subcommittee meeting. Staff will continue to monitor enrollments over the coming weeks and will report on changes to these enrollment projections.

Ms. Nobrega adjourned the meeting at 6:20pm.

PSB FY24 MAY 30 UPDATE - June 3, 2024

Since our last report on May 15, the Finance Team has been actively working with departments to close out existing purchase orders, process invoices, and tighten projections to close out the fiscal year. Based on this work, as well as progress in utilizing special funds where appropriate, denying some expenditures and delaying others until next year, the Finance Department is glad to report that the shortfall forecast in May has been much reduced. The current projected overage is \$717,269.

Here are the changes in the main areas of concern since April 30th:

	FY24 Budget	Projected Exp April	Projected Exp May	Current Budget Variance
Contracted Services				
Legal	225,000	450,000	418,337	193,337
Professional Services	2,490,747	3,000,533	2,966,235	475,488
Transportation (OSS)	2,920,291	4,560,544	4,244,833	1,324,542
Tuition	4,606,248	4,965,689	4,986,318	380,070
Claims/Settlements	250,000	738,811	647,427	397,427
Paraprofessional Salary	10,899,089	12,160,358	12,192,885	1,293,796
ESY & HS Summer Programs	18,500	140,211	225,211	206,711
Net reduction in projections related to above areas of concern from April to May			371,900	

The cost overruns in these areas which were projected at \$4,643,271 in April have been reduced to \$4,271,371, as actual placements, invoices and needs have come into sharper focus. Unspent funds from all other accounts continue to mitigate the overall impact of the overages noted above.

To complete the year, there are several actions that have been or will need to be taken.

1. The transfer of \$1,200,000 from the salary to the non-salary account, approved by the School Committee on May 23, was processed.
2. The deadline for requesting expenditures for FY24 has passed, so the remainder of the year will be used to process invoices against existing purchase orders and close out unneeded balances. As of May 30, this work reduced our deficit by \$211,170 and we hope to gain more ground as the year ends.

3. We will continue our work with special revenue funds to identify sources that can be used to mitigate the cost overrun in FY24. As of May 30, a net of \$186,708 in salary has been moved out of the general fund to appropriate special revenue funds.
4. Since April 30, \$99,277 in projected expenses have been postponed until the next fiscal year, and \$122,961 have been denied outright.

Here is a summary of the elements that changed the deficit projection:

April Projected Deficit	1,709,286
Areas of Concern	(371,900)
Purchase Order Closeout	(211,170)
Net Salary moves to Special Revenue	(186,709)
Delayed Expenses	(99,277)
Denied Expenses	(122,961)
May Projected Deficit	717,269

5. *With the approval of the School Committee, we will increase the budget in the Circuit Breaker account to the entire amount of revenue collected in FY23, which was \$3,475,572. This will increase the available funds by \$318,636 and allow us to transfer OSS tuition expenses from the general fund, further reducing the deficit.*
6. *If we are unable to close the deficit completely by the end of the year, we will seek a reserve fund transfer or start the new year in a compromised position by spending special revenue sources that were expected for FY25.*

IMPACT OF FY24 PROJECTED DEFICIT ON FY25 BUDGET PLANNING

During the FY25 budget development process, it became apparent that the FY24 budget for transportation, tuition, and settlements in the special education department was insufficient to cover the costs and commitments for the year. With this in mind, the FY25 budget already includes significant funding increases in these areas based on the projections provided by the Office of Student Services.

	FY24 Overage 5.30.24	FY25 Increase
Transportation	\$1,324,542	\$863,174
Tuition	380,070	697,311
Claims/Settlements	<u>397,427</u>	<u>236,080</u>
	\$2,102,039	\$1,796,485

In addition to the non-salary cost overruns in FY24, funding for paraprofessionals and compensation for additional responsibilities (coaching, co-curricular program advisors, extra duties, stipends, summer school, etc.) are underfunded in FY25 based on data available at this time.

	FY25 Overage
Additional Compensation	TBD
FY24 Summer Programming	\$206,711 + TBD

We are continuing to analyze the data from FY24 and its impacts on FY25 budget planning and will have more information to the School Committee as soon as it is available.

PUBLIC SCHOOLS OF BROOKLINE
FY24 BUDGET STATUS REPORT as of May 30, 2024

SCHOOL OPERATING BUDGET	AMENDED BUDGET	EXPENDED	ENCUMBERED/ PROJECTED	SURPLUS/ (DEFICIT)
Personnel Expense	112,631,865	103,011,866	10,784,158	(1,164,159)
Non-Salary Expense				
<i>Outside Services/Contracts</i>	14,143,792	11,860,392	2,972,158	(688,758)
<i>Supplies and Materials</i>	2,286,832	1,376,345	99,131	811,356
<i>Other Expenses</i>	354,839	258,764	41,162	54,913
<i>Utilities (Gasoline)</i>	10,250	6,105	5,995	(1,850)
<i>Equipment & Leases</i>	1,262,798	989,783	1,786	271,230
Total Non-Salary Expense	18,058,511	14,491,388	3,120,232	446,890
TOTAL School Operating Budget	130,690,376	117,503,255	13,904,390	(717,269)

**Special Revenue Funds
as of May 30, 2024**

FEDERAL GRANTS	FY23 Year End FUND BALANCE	FY24 Budget Estimate	FY24 Approved Budget	FY24 Revenue to Date	Expended to Date	Encumbered to Date	Balance to Date
ESSER							
ESSER II	325,060	-	325,060	-	295,681	-	29,379
ESSER III	60,562	-	60,562	-	60,562	-	-
TOTAL ESSER	385,622	-	385,622	-	356,243	-	29,379
Title 1 FY24	(32,054)	256,431	674,976	165,334	317,613	74,771	282,592
Title 1 FY23			48,842	94,076	15,520	1,752	31,570
Title 1 FY22			13,667	-	4,400	-	9,267
Title IIA FY24	77,892	93,524	129,527	-	97,134	32,393	-
Title IIA FY23			60,660	60,240	61,825	4,756	(5,920)
Title IIA FY22			7,153	-	-	-	7,153
Title III FY24	71,469	112,344	131,322	131,322	109,074	22,235	14
Title III FY23			85,334	62,155	79,387	100	5,848
Title III FY22			23,058	-	20,286	-	2,772
Title IV-A Student Support FY24	11,268	20,958	18,818	18,818	18,818	-	-
Title IV-A Student Support FY23			20,499	13,658	20,499	-	-
IDEA FY24	188,504	2,277,428	2,457,329	155,340	1,255,724	170,179	1,031,426
IDEA FY23			791,848	865,337	791,848	-	0
IDEA FY22			144,085	-	129,293	-	14,792
ARP-IDEA	109,101	-	63,611	-	57,472	-	6,139
Early Childhood FY24	328	38,643	40,365	-	40,365	-	-
Early Childhood FY23			1,085	3,858	1,085	-	-
ARP - Early Childhood	1,186	-	243	-	617	-	(374)
Perkins FY24	29,699	50,176	71,148	-	27,014	35,633	8,501
SEL and Mental Health FY24	4,907	-	80,013	9,438	20,875	1	59,137
SEL and Mental Health FY23			-	35,415	-	-	-
Chronic Absenteeism Initiative			10,000	10,000	-	-	10,000

	FY23 Year End FUND BALANCE	FY24 Budget Estimate	FY24 Approved Budget	FY24 Revenue to Date	Expended to Date	Encumbered to Date	Balance to Date
STATE GRANTS							
Circuit Breaker	3,156,936	3,475,572	3,156,936	2,695,286	2,391,933	1,082,161	(317,158)
METCO	18,425	2,291,283	2,354,849	1,362,044	1,833,279	131,470	390,100
METCO Targeted PAC	-	-	400,520	400,520	400,520	-	-
SEL and Mental Health FY23	(12,150)	-	-	19,828	-	-	-
Investigating History Pilot FY24	(3,497)	-	16,900	14,388	16,900	-	0
Investigating History Pilot FY23			-	3,497		-	-
Enhanced School Health Services FY24	35,747	100,000	100,000	50,000	83,190	3,272	13,538
Coord. Family & Com. Engagement	10,381	139,874	139,874	114,102	122,783	3,737	13,354
MCC Stars Residency Program	475	-	475	-	-	-	475
Civics Teaching/Learning FY24	(6,869)	-	60,000	29,830	12,195	8,588	39,217
Civics Teaching/Learning FY23			36,950	25,266	25,621	7,225	4,104
Hate Crime Prevention	(34,957)	-	-	34,957	-	-	-

	FY23 Year End FUND BALANCE	FY24 Budget	FY24 Available Funds	FY24 Revenue to Date	Expended to Date	Encumbered to Date	Balance to Date
PRIVATE GRANTS							
Steps to Success	14,040	10,400	10,400	-	-	-	10,400
BU Consortium	4,373	-	4,373	-	-	-	4,373
BU Saudi Teachers	22,508	-	22,508	-	-	-	22,508
Kraft Opportunity fund	77,242	-	77,242	-	8,713	1,800	66,729
Whipple Writing Fellowship	50,946	26,150	50,946	24,000	20,393	51	54,502
Brookline Education Foundation	23,447	123,568	123,568	-	75,139	6,700	41,729
HS Innov. Fund (Teacher Mentoring)	173,017	307,853	307,853	154,630	233,093		74,760
BCF Racial Equity	-	50,000	50,000	-	-	-	50,000
Project Bread	1,687	-	1,500	-	1,200		300
NEA Foundation	-	-	4,050	3,550	-	-	4,050
TOTAL GRANTS	4,438,979	9,374,204	12,244,980	6,556,888	8,717,247	1,586,822	1,964,911

REVOLVING/GIFT/FEES	FY23 Year End FUND BALANCE	FY24 Budget	FY24 Available Funds	FY24 Revenue to Date	Expended to Date	Encumbered to Date	Balance to Date
Food Services	1,106,715	3,444,619	1,106,715	2,872,979	3,496,662	218,790	264,243
BEEP	2,023,510	4,171,598	2,023,510	2,374,827	1,895,017	5,261	2,498,060
BACE	371,111	747,639	371,111	521,505	701,494	40,743	150,379
Summer School	27,390	-	27,390	13,960	6,550	-	34,800
Tuition & Materials Fee	691,159	600,000	691,159	566,104	316,699	253,632	686,931
Athletics - High School	258,813	510,000	258,813	448,328	434,283	66,838	206,019
Athletics - K-8	29,715	25,000	29,715	36,478	30,317	2,201	33,675
Use of Facilities	36,905	383,316	36,905	294,726	349,485	2,201	(20,056)
HS Restaurant	98,949	127,413	98,949	119,555	121,981	44,864	51,660
Bus Transportation	29,143	48,000	29,143	-	-	-	29,143
Academic Testing	18,571	105,000	18,571	13,203	16,082	-	15,691
Lost Book Recovery	13,622	-	13,622	350	2,325	224	11,422
Culinary Arts Material Fees	5,033	25,000	22,973	17,940	16,922	4,492	19,499
Industrial Arts Materials Fee	5,038	5,683	5,033	645	-	-	5,678
Performing Arts Materials Fees	2,114	14,000	27,117	25,403	25,481	34	1,602
Visual Arts Material Fees	8,221	11,000	8,221	14,035	12,200	1,702	8,354
BEEP Gift Account	51,482	-	51,482	2,500	-	-	53,982
K-8 Gift Accounts	32,536	-	37,632	5,095	4,645	-	38,081
High School Gift Accounts	36,896	-	45,796	11,560	13,726	418	43,212
High School Social Work Gift Account	6,588	-	6,588	-	-	-	6,588
District Gift Account	4,075	-	4,075	500	-	-	4,575
Food Services Zero Waste	74,025	-	74,025	-	47,950	-	26,075
ELE Summer Fee Program	2,090	-	2,090	-	1,550	-	540
TOTAL REVOLVING/GIFT/FEES	4,933,701	10,218,268	4,990,635	7,339,691	7,493,369	641,400	4,170,154

Note: All balances based on 5.30.24 Special Revenue Report from MUNIS.

FY25 Enrollment and Class Size Report

June 3, 2024

Baker

May 23, 2024

Class Size Chart	Grades									
	K	1	2	3	4	5	6	7	8	Total
FY25 Projected Enrollment	47	70	74	76	84	77	74	66	68	636
Number of Classes	4	4	4	4	4	4	4	3	4	35
FY25 Projected Average Class Size	11.8	17.5	18.5	19.0	21.0	19.3	18.5	22.0	17.0	18.2
GUIDELINE	22	22	22	25	25	25	25	25	25	
IF COLLASPED	16	23	25	25	28	26	25	33	23	

Driscoll

May 23, 2024

Class Size Chart	Grades									
	K	1	2	3	4	5	6	7	8	Total
FY25 Projected Enrollment	51	48	59	45	67	53	61	52	54	490
Number of Classes	3	3	3	2	3	3	3	3	3	26
FY25 Projected Average Class Size	17.0	16.0	19.7	22.5	22.3	17.7	20.3	17.3	18.0	18.8
GUIDELINE	22	22	22	25	25	25	25	25	25	
IF COLLASPED	25.5	24	29.5	45	33.5	26.5	30.5	26	27	

Hayes

May 23, 2024

Class Size Chart	Grades									
	K	1	2	3	4	5	6	7	8	Total
FY25 Projected Enrollment	36	42	39	47	48	49	56	56	38	411
Number of Classes	2	2	2	2	2	3	3	3	2	21
FY25 Projected Average Class Size	18.0	21.0	19.5	23.5	24.0	16.3	18.7	18.7	19.0	19.6
GUIDELINE	22	22	22	25	25	25	25	25	25	
IF COLLASPED	36	42	39	47	48	24.5	28	28	38	

Adding one section to Grade 4 at Hayes lowers the average class size to 16.

Lawrence

May 23, 2024

Class Size Chart	Grades									
	K	1	2	3	4	5	6	7	8	Total
FY25 Projected Enrollment	56	69	80	72	83	63	63	68	53	607
Number of Classes	4	4	4	4	4	3	3	4	3	33
FY25 Projected Average Class Size	14.0	17.3	20.0	18.0	20.8	21.0	21.0	17.0	17.7	18.4
GUIDELINE	22	22	22	25	25	25	25	25	25	
IF COLLASPED	19	23	27	24	28	32	32	23	27	

Lincoln

May 23, 2024

Class Size Chart	Grades									
	K	1	2	3	4	5	6	7	8	Total
FY25 Projected Enrollment	48	53	60	53	57	56	44	51	64	486
Number of Classes	3	3	3	3	3	3	2	3	3	26
FY25 Projected Average Class Size	16.0	17.7	20.0	17.7	19.0	18.7	22.0	17.0	21.3	18.7
GUIDELINE	22	22	22	25	25	25	25	25	25	
IF COLLASPED	24	27	30	27	29	28	44	26	32	

Pierce

May 23, 2024

Class Size Chart	Grades									
	K	1	2	3	4	5	6	7	8	Total
FY25 Projected Enrollment	45	63	56	63	71	69	74	80	59	580
Number of Classes	4	4	3	4	4	4	4	4	4	35
FY25 Projected Average Class Size	11.3	15.8	18.7	15.8	17.8	17.3	18.5	20.0	14.8	16.6
GUIDELINE	22	22	22	25	25	25	25	25	25	
IF COLLASPED	15	21	28	21	23.7	23	24.7	27	19.7	

Ruffin Ridley

May 23, 2024

Class Size Chart	Grades									
	K	1	2	3	4	5	6	7	8	Total
FY25 Projected Enrollment	78	85	101	101	95	91	83	84	82	800
Number of Classes	5	5	5	5	5	4	4	4	4	41
FY25 Projected Average Class Size	15.6	17.0	20.2	20.2	19.0	22.8	20.8	21.0	20.5	19.5
GUIDELINE	22	22	22	25	25	25	25	25	25	
IF COLLASPED	19.5	21.3	25.3	25.3	24	30.3	27.7	28	27.3	

Runkle

May 23, 2024

Class Size Chart	Grades									
	K	1	2	3	4	5	6	7	8	Total
FY25 Projected Enrollment	46	45	45	53	41	61	55	55	52	453
Number of Classes	3	3	3	3	2	3	3	3	3	26
FY25 Projected Average Class Size	15.3	15.0	15.0	17.7	20.5	20.3	18.3	18.3	17.3	17.4
GUIDELINE	22	22	22	25	25	25	25	25	25	
IF COLLASPED	23	23	23	27	41	31	28	28	26	