

February 2013

BPS FY14 Preliminary Budget Increases by 6.9%

Spending increase due to salaries, benefits, transportation and loss of federal funds

Superintendent Johnson's Preliminary FY14 General Fund budget totals \$934.4M, an increase of \$60.7M or 6.9%. Salaries and employee benefits total \$721.5M or 77.2% of the total budget. External state and federal grants total \$125.9M for a total All Funds BPS budget of \$1.06B to serve a projected enrollment of 58,271 students. The School Committee has scheduled public hearings on the budget and will approve the final budget at its meeting on Wednesday, March 27, after which it goes to the Mayor.

The preliminary budget supports 8,423 FTE positions, an increase of 104 positions. Student enrollment is expected to increase by nearly 1,200 students, of which a greater than average proportion requires special needs services. Consequently, more special education teachers and aides will be hired. The loss of state and federal funds of \$21.4M or 14.5% will result in a decrease of 81 positions, many of whom will transfer to city funding. The net change in BPS positions from all funds is an increase of 23.

The FY14 budget increase of \$60.7M was funded through the Mayor's agreement to increase city appropriations by \$58.2M or 6.7%. An additional \$2.5M was provided by the City as part of the Quality Improvement Fund initiative of \$30M over three years to be split evenly between operational and capital resources and linked to improving underperforming schools. The BPS' \$2.5M share for FY14 came from budget efficiencies in school services. A new school bus contract is the main reason why

transportation spending is expected to increase by \$13.2M or 16.5% to \$93.2M. FY14 is a tight budget year for Boston and no other city department is expected to receive an increase comparable to 6.9%.

BPS FY14 Preliminary Budget

General Fund In Millions

Account	FY14 Prelim.	% of Total	% Change FY13-14
Salaries	\$590.1		2.5%
Benefits	131.4		3.7%
Sub-total	\$721.5	77.2%	2.7%
Transp.	\$93.2	10.0%	16.5%
Purch.Serv.	53.5	5.7%	28.1%
Prop. Serv.	38.7	4.1%	1.3%
Supplies	7.1	0.8%	8.1%
Equipment	2.5	0.3%	-5.7%
Reserve	15.4	1.6%	4099.4%
Misc.	2.3	0.2%	33.1%
Sub-total	\$212.8	22.8%	24.2%
Total	\$934.4	100%	6.9%

This budget sustains reform measures in the Turnaround schools that had been federally funded, expands the number of schools with extended day and increases resources for teacher and leadership evaluation and support. Weighted Student Funding continues to be the basis for delivering appropriate funds to schools tied to student needs. Schools with concentrations of poverty (greater than 60% of free or reduced lunch eligible students) will share a total of \$2.6M in additional funding this year.