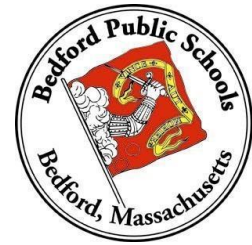


BEDFORD PUBLIC SCHOOLS



To: Members of the Bedford School Committee
From: Cliff Chuang, Superintendent
Date: January 19, 2024
Subject: FY25 Final Proposed Budget

Thank you for the additional feedback on the proposed changes to the FY25 budget proposal at your January 16, 2024, meeting. At your January 23, 2024, meeting, I will be presenting the final FY25 budget proposal that I believe reflects the budget that a majority of school committee members are comfortable improving as outlined below. This meeting will include the statutorily required public open hearing, when members of the public will be able to provide you feedback on the proposed budget prior to your final consideration and vote.

Final FY25 Budget Proposal for School Committee Consideration

- The reference information outlined in [Superintendent's FY25 Proposed Budget, December 19, 2023](#) is still relevant for reference, and nothing has changed with respect to the maintenance of effort/level services proposal.
- As discussed in your last several meetings, we have settled on shifts in the FY25 proposed net additional funding requests to address identified challenges, which are detailed in [FY25 Proposed Budget Changes - Additions and Reductions, January 22, 2024](#) and described in more detail in [FY25 Superintendent's Budget Update, January 16, 2024](#). As a reminder, these include the following shifts from the original December 19th proposal:
 - Restoration of the 4th grade teaching position at the Lane School, bringing the projected average class size to 21.2 students, just under the 22 - 24 student range established by school committee guidelines (compared to 23.9, just under the top of the range).
 - Withdrawal of the request to further support Bedford's data technology infrastructure.
 - A reduction in the K-5 coverage model proposed for Davis to align to that for Lane, i.e., one general education TA per grade level (instead of two).
 - A reduction in the proposed investment for initial implementation of the next district improvement plan.
- This results in a final budget request of \$49,383,708, a 5.66% increase from our current FY24 budge level, broken out as follows:

| FY24 | FY25 Maintenance of Effort | | | Additional Needs | | FY25 Total Budget Request | | |
|-----------------|----------------------------|--------------|----------|------------------|----------|---------------------------|--------------|----------|
| Adjusted Budget | FY25 MOE | \$ Change | % Change | FY25 Additional | % Change | FY25 Total | \$ Change | % Change |
| \$ 46,737,588 | \$ 48,943,434 | \$ 2,205,846 | 4.72% | \$ 440,365 | 0.94% | \$ 49,383,798 | \$ 2,646,211 | 5.66% |

The maintenance of effort / level-services budget increases by 4.72% and \$2,205,846 and an additional allocation is requested of 0.94% and \$440,365. The total request represents a 5.66% increase in funding of \$2,646,211 which exceeds the Finance Committee's 3.5% budget guideline.

- Updated FY25 Budget financial details are available at [FY25 Budget Revised Financial Details](#).
- Outside of the FY25 operating budget, the district continues to request:
 - A one-time town reserve fund transfer for the one-time start-up costs of the new elementary literacy curriculum of approximately \$210,000 (timing to-be-determined).
 - The establishment of a special education stabilization fund of \$950,000 which can be accessed over multiple years. This fund could be used in lieu of a reserve fund transfer to cover the already-anticipated \$150,000 of out-of-district special education tuition which was included in the FY24 budget, and is also included in the FY25 request. Based on discussion with Town Manager Matt Hanson, we expect that this can be funded out of Free Cash.
 - Note: FY25 capital funding requests have been requested through the town's capital expenditure process separately

As a reminder, here is the remaining projected timeline for the FY25 budget process:

| Date | Event |
|-----------|---|
| 1/25/2024 | School Budget Presentation to Finance Committee |
| 2/1/2024 | Additional Discussion/Vote at Finance Committee (as needed) |
| 3/25/24 | Town Meeting Vote |

Recommended Motion #1: The School Committee approves the FY25 operating budget request of \$49,383,798 as presented.

Recommended Motion #2: The School Committee approves the request to establish a new Special Education Stabilization Fund allowable under [Chapter 40, Section 13E of the Massachusetts General Laws](#) and the request of a \$950,000 appropriation, transferred from the Town of Bedford's Free Cash, into the newly-established Fund. This funding will remain in the Fund until spent, and will carry over into future fiscal years. This Fund will act as a reserve to cover unexpected or extraordinary costs in the School Department's special education, out-of-district tuition or transportation budgets during the fiscal year. The balance of the reserve fund can be accessed by a recommendation of the School Department and joint approval of the School Committee and Select Board, without further appropriation by Town Meeting. The new Fund will supplement the existing Circuit Breaker Special Education Reserve Account and will allow the School Department more flexibility when needs arise during the fiscal year. The School Committee further authorizes the Superintendent to work with the Bedford Town Manager to prepare the appropriate warrant articles for the March 2024 Town Meeting to establish and transfer Free Cash into the Fund.

As always, please feel free to contact me with any questions.

Reference Documents:

- [Superintendent's FY25 Proposed Budget, December 19, 2023](#)
- [FY25 Superintendent's Budget Update, January 16, 2024](#)
- [FY25 Proposed Budget Changes - Additions and Reductions, January 22, 2024](#)
- [FY25 Budget Revised Financial Details](#)