

BALTIMORE CITY PUBLIC SCHOOLS

Stephanie Rawlings-Blake
Mayor, City of Baltimore

Marnell A. Cooper
*Chair, Baltimore City Board of
School Commissioners*

Gregory E. Thornton, Ed.D.
Chief Executive Officer

April 16, 2016

Dear City Schools Families, Staff, Partners, and Friends,

Several months ago, school and district leaders began work to create budgets for the 2016-17 school year, working to ensure that spending for the coming school year aligns with the district's five-year strategic plan, [Excellence and Equity 2020](#). Many of you attended district-sponsored forums or participated in meetings with your school community to discuss spending priorities. As we move closer to finalizing the budget, I want to make sure you know about these important dates.

- **April 19:** The district's proposed budget is presented to the Board of School Commissioners at a public meeting, beginning at 5:30 p.m. at 200 E. North Avenue and broadcast live (public comment will be accepted; the budget document will also be available online at www.baltimorecityschools.org/budget at that time)
- **May 3:** The Board anticipates voting on the budget at its public meeting, beginning at 6:00 p.m. at 200 E. North Avenue (and broadcast live)
- **May:** The budget adopted by the Board is submitted for a vote by Baltimore City Council
- **July 1:** The new fiscal year begins
- **September 30:** Actual student enrollment numbers are determined for each school and budgets are adjusted accordingly

Developing the budget for the coming year was a complex process, and it had to take into account several things you may have read or heard about in the news recently.

First, City Schools was in danger of losing approximately \$25 million in revenue for the upcoming year because of declines in student enrollment (which lowers funding from the state and city) and an increase in the city's wealth (which has a negative effect on state funding). Fortunately, the Baltimore City Delegation, along with Mayor Rawlings-Blake, worked with the presiding officers and Governor Hogan to restore approximately \$23.5 million (of which Governor Hogan must release \$876,000). We deeply appreciate their efforts to support City Schools and our students, and hope that Governor Hogan will also release approximately \$1.3 million in additional funding to cover costs associated with improving aging school buildings.

However, I must clarify a few things about the funds we expect to receive from the state and city. In February, principals at both traditional and charter schools began developing their budgets. At that time, we hoped that \$12.5 million in additional funds would be available for the district, and, consistent with our principles of putting our students and our schools first, we included that amount in our revenue projections for schools. Therefore, **the district's total budget projection for the upcoming year will show an increase of approximately \$11 million**, the difference between \$23.5 million and the \$12.5 million we had already included in schools' budget calculations.

Since principals have already submitted their budgets for 2016-17, the portion of the additional \$11 million in revenue that will go directly to schools will be reflected in school budgets in the fall, after the new year is underway and we know how many students each school is serving.

Unfortunately, the district is still faced with a challenging budget season because, while this welcome additional funding from the state and city leaves us with the same amount of income as last year, **expenses have significantly increased**. For example, costs for healthcare benefits for staff, whether assigned to a charter school, traditional school or central office, will go up by more than \$18 million next year, in addition to the increase in salaries associated with union employees. As a good steward of public resources, City Schools must balance its budget—so, this means making some hard decisions. While we are committed to minimizing the impact on schools and maximizing the resources provided for improving teaching, learning, and success for all students, all schools and offices will feel the effect of reductions in services.

Additionally, while we were glad to get more resources for our students, one issue continues to threaten the long

term sustainability of the district and our principles of equity. As I [described last fall](#), several of our charter school operators filed lawsuits claiming that they receive too little funding from the district, a claim the district strongly disagrees with. We will continue to defend the lawsuit to ensure the commensurate distribution of funds to all schools and that all schools share in the cost of [services that must be delivered centrally](#). I will be sharing additional information about this with you in the coming weeks.

As you can see, our budget is a lengthy, complex, and challenging process. We remain committed to providing each and every child in our schools with a quality education, and to keeping as many resources in the classroom as possible. To share your thoughts about the district's budget development, please [email us](#) and remember to visit www.baltimorecityschools.org/budget in the coming weeks for more information.

Sincerely,

A handwritten signature in black ink that reads "Greg Thornton". The signature is written in a cursive, flowing style.

Gregory E. Thornton, Ed.D.
Chief Executive Officer