

City of Cambridge

MASSACHUSETTS

In City Council

May 15

1994

Consent Agenda # 7A Appropriation of \$287,715 in the OOM Account

YEA	NAY	ABSENT	PRESENT	
✓				Ms. Kathleen L. Born
✓				Mr. Francis H. Duehay
✓				Mr. Anthony Galluccio
✓				Mr. Jonathan S. Myers
✓				Mrs. Sheila T. Russell
✓				Mr. Michael A. Sullivan
✓				Mr. Timothy J. Toomey, Jr.
✓				Ms. Katherine Triantafillou
✓				Mayor Kenneth E. Reeves

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MS m susp w/9
RF 0-9

Consent Agenda # 7A
CITY COUNCIL
CITY OF CAMBRIDGE

May 15, 1995

INTRODUCED BY CITY MANAGER ROBERT W. HEALY

AN ORDER CONCERNING APPROPRIATIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 1994

ORDERED: That in addition to sums previously appropriated by the City Council for the fiscal period 1994-95 the following sum is hereby appropriated in the General Fund of the City of Cambridge:

FUNCTION	DEPARTMENT OR PROGRAM	SALARY \$ WAGES	OTHER ORDINARY MAINTENANCE	TRAVEL & TRAINING	EXTRAORDINARY EXPENDITURES	APPROPRIATIONS
Education	School		\$287,715			\$287,715.00

BE IT FURTHER ORDERED: That the above appropriation in the General Fund to be financed by estimated revenues drawn from the following sources:

FINANCING PLAN	REVENUE
Medicaid	\$287,715.00

In City Council May 15, 1995.
Adopted by a yeas and nays vote:-
Yeas 9; Nays 0; Absent 0.
Attest:- D. Margaret Drury, City Clerk.

A true copy;

ATTEST:-

D. Margaret Drury
D. Margaret Drury, City Clerk.

City of Cambridge

MASSACHUSETTS

In City Council

May 15

1995

Consent Agenda #73 Appropriation of \$330,344 in the Emergency Exp. Account

YEA	NAY	ABSENT	PRESENT	
✓				Ms. Kathleen L. Born
✓				Mr. Francis H. Duehay
✓				Mr. Anthony Galluccio
✓				Mr. Jonathan S. Myers
✓				Mrs. Sheila T. Russell
✓				Mr. Michael A. Sullivan
✓				Mr. Timothy J. Toomey, Jr.
✓				Ms. Katherine Triantafillou
✓				Mayor Kenneth E. Reeves

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MS m susp w/9
RF 6-9

CITY COUNCIL
CITY OF CAMBRIDGE

May 15, 1995

INTRODUCED BY CITY MANAGER ROBERT W. HEALY

AN ORDER CONCERNING APPROPRIATIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 1994

ORDERED: That in addition to sums previously appropriated by the City Council for the fiscal period 1994-95 the following sum is hereby appropriated in the Public Investment Fund the City of Cambridge:

FUNCTION	DEPARTMENT OR PROGRAM	SALARY & WAGES	OTHER ORDINARY MAINTENANCE	TRAVEL & TRAINING	EXTRAORDINARY EXPENDITURES	APPROPRIATIONS
Education	School				\$330,384.00	\$330,384.00

BE IT FURTHER ORDERED: That the above appropriation in the Public Investment Fund to be financed by estimated revenues drawn from the following sources:

FINANCING PLAN	REVENUE
Medicaid	\$330,384.00

In City Council May 15, 1995.

Adopted by a yeas and nays vote:-

Yeas 9; Nays 0; Absent 0.

Attest:- D. Margaret Drury, City Clerk.

A true copy;

ATTEST:-


D. Margaret Drury, City Clerk

CHAIRMAN
MAYOR KENNETH E. REEVES

VICE CHAIRMAN
DAVID P. MAHER

SCHOOL COMMITTEE
455 BRIMLEY
CAMBRIDGE, MASSACHUSETTS 02138

OFFICE OF THE SECRETARY
Tel. (617) 349-6620 • Fax: (617) 349-6624

MEMBERS
HENRIETTA DAVIS
ALFRED B. FANTINI
JOSEPH G. GRASSI
ROBIN A. HARRIS
E. DENISE SIMMONS

May 9, 1995

The Honorable City Councillors
c/o Ms. D. Margaret Drury, City Clerk
City of Cambridge
City Hall
Cambridge, Massachusetts 02139

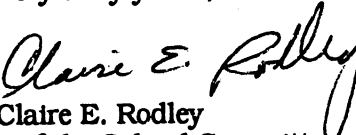
Dear Ms. Drury:

Re: Medicaid Reimbursement Allocation

I am enclosing an order adopted by the School Committee at the Special Meeting of April 13, 1995 relative to appropriating Medicaid reimbursements.

The School Committee asks that you approve the recommendations contained in the order (#C95-201).

Very truly yours,


Claire E. Rodley
Secretary of the School Committee

CER/mh
Encl.

CHAIRMAN

MAYOR KENNETH E. REEVES

VICE CHAIRMAN

DAVID P. MAHER

SCHOOL COMMITTEE

456 BROADWAY

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 ROBIN A. HARRIS
 E. DENISE SIMMONS

---IN SCHOOL COMMITTEE---

April 13, 1995

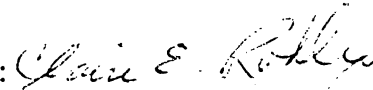
ORDERED:

That the following recommendation of the Sub-Committee on the Budget be adopted: that Budget Reference Document #27, Recommended Budget Allocations for One Time Retroactive Medicaid Reimbursement Revenues Received in FY1994-95 and Not Yet Appropriated, be adopted: that the School Committee approve the attached plan for allocation of One Time Retroactive Medicaid Reimbursement revenues received in fiscal year 1994-95, which have not yet been appropriated for expenditure; and, further, that the City Manager be requested to submit an appropriation request to the City Council for the following amounts based on such plan:

- A. Medicaid Reimbursement Revenues Received in City Treasury as of 4/1/95:
 Total Amount: \$618,099
1. Appropriate \$287,715 to the FY1994-95 General Fund Budget, Statutory Category 500/600, Supplies, Services and Materials, for special education medical services, special education tuitions, and contractor fees for Medicaid billing processing, in accordance with Attachment A, Section A.1.
 2. Appropriate \$330,384 to the FY1994-95 Capital Projects Budget (Fund 395), Statutory Category 900, Equipment and Capital Projects, for one-time school furniture and equipment purchases, science lab renovations, technology infrastructure, and other capital facilities projects, in accordance with Attachment A, Section A.2.
- B. Medicaid Reimbursement Revenues Projected to be Received by June 30, 1995:
 Estimated Amount: \$375,000 - \$400,000:
1. Appropriate the full amount when received, less the 15% contractor billing processing fee, to the School Debt Service Stabilization Fund, to partially offset projected future revenue shortfalls in the funding for school construction and renovation projects, in accordance with Attachment A, Section B.1.

A true copy:

Attest:


 Claire E. Rodley

Secretary of the School Committee

cc School Committee Members
 Superintendent
 City Council, c/o City Clerk
 City Manager
 City Auditor
 Executive Director of Management Services
 Director of Financial Operations

Description:

During the FY1994-95 Budget process, the School Committee considered options for use of potential revenues from retroactive medicaid reimbursenebts, based on a new state-initiated program to partially reimburse local communities for amounts expended from local budgets for medical expenses related to medicaid-eligible special education students. Because of the newness of the program and uncertainty over revenue estimates, the Committee prudently allocated only \$95,000 from this source, for the CDC contract services indicated in attachment A.

The Committee also authorized a contract with Public Consulting Group Inc. for medicaid data collection, processing, and billing services, with fees to be paid based on revenues received. For the first year of processing, the fee rate is 15%, based on substantial data-gathering and start-up costs, and is 10% thereafter. The fee amount for revenues received to-date is \$92,715.

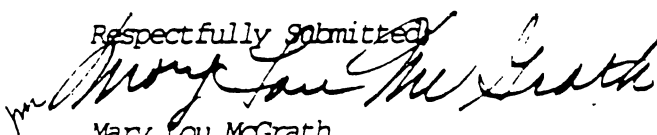
The 1994-95 special education accounts for outside tuition costs are projected to be overexpended by approximately \$250,000-300,000. This is due to substantial unexpected increases in the number of tuitioned-out students. This account has experienced a smaller level of increase over the past several years. We are projecting that we can cover approximately \$150,000-200,000 of this cost increase from savings generated in other School Department operating budget accounts in FY95.

The one-time capital requests for school furniture and equipment, science lab renovations, technology infrastructure, and other facilities projects were extracted primarily from budget requests received from school and program administrators in the FY 1995-96 budget process. As described in Attachment A, these are not operating budget items and are appropriate items to be funded from the one-time medicaid retroactive reimbursements.

The School Debt Service Stabilization Fund was established by the School Committee, City Manager, and City Council in 1993-94. It's purpose is to help stabilize the impact of fluctuating debt service costs for long-term school capital projects, reduce the impact of school projects on the property tax levy, and provide a stable future funding source for essential school facilities capital projects, including major renovations such as the Fitzgerald and Morse school projects. The new Agassiz and Haggerty schools are included in this funding plan, which includes 90% state reimbursement from SBAB.

It should be noted that Medicaid Revenues for FY 1995-96 are already included in the General Fund Budget funding plan, and are therefore not available for one-time expenditures such as the above.

Respectfully submitted,


Mary Lou McGrath,
Superintendent of Schools

Attachments

Attachment A: FY 1994-95 Medicaid Revenues - Proposed Budget AllocationsSection A - \$618,099 in Revenues Received as of 4/1/95

These revenues represent reimbursements for medical services provided for medicaid-eligible special education students retroactive to FY93. The payments from the state have already been deposited with the City Treasury. The proposed allocations are as follows;

<u>1. 1994-95 Expense Items:</u>	<u>Amount</u>
a. Special Education medical/psychological evaluation services provided under contract by the Children's Developmental Clinic at Cambridge Hospital (adopted in FY 1994-95 Budget, page II-5, item 8, attached).	\$ 95,000
b. Medicaid processing fees, as per contract	92,715
c. Special Education tuitioned-out student costs	<u>100,000</u>
Sub-total:	\$287,715
 <u>2. One-time Capital Items (FY 1995-96 Requests):</u>	
a. Matching funds for library book purchases, in accordance with DeWitt-Wallace/Readers'Digest grant program.	\$ 45,000
b. Elementary Science Lab renovations, in accordance with phase two of elementary science curriculum implementation plan, for science labs at Longfellow and Peabody schools. (Kennedy, Harrington, Fletcher, King done in 1994-95 in phase one of plan).	55,000
c. Secondary Science Lab renovations, as phase one of secondary science curriculum implementation plan, for science labs at CRLS.	80,000
d. Fletcher School furniture - first year of a three-year plan to update classroom furniture for students and teachers. When the Fletcher was renovated in the early 1980's, there was very little money for furniture and equipment and little was replaced.	15,000
e. Technology Plan - allocation of \$33,500 for software service and hardware for initial installation and implementation of Internet access service that will be available to all schools through telephone service connections, pending installation of the Citywide fiberoptic wide area network (WAN). (See Curriculum Implementation Plans.)	33,500

f. Technology Plan - allocation of \$45,000 to fund initial phase of local area network (LAN) installation at Tobin School (see Curriculum Implementation Plan).	45,000
g. Facilities Planning - allocation of \$25,000 to fund facilities planning consultant in accordance with School Committee Order C95-093.	25,000
h. Facilities projects - allocate remaining balance to one-time facilities projects to supplement summer maintenance projects budget which has historically been funded at 25% of request levels.	31,884
Sub-total:	<u>\$330,384</u>
Total Section A:	<u>\$618,099</u>

Section B - Estimated \$375,000 - 400,000 in Additional One-Time Revenues to be Received by June 30, 1995.

These revenues have not yet been received but have been filed for and are subject to verification and adjustment by the state processing agency. The amount is therefore an estimate.

1. School Debt Service Stabilization Fund - allocate full amount received to Debt Service Stabilization Fund, less contractor fee of 15%, to partially offset projected revenue shortfall in FY 1996-97 (see FY 1995-96 Proposed Budget, page I-9, Table 3b). \$375,000-
400,000

Secondary Sub - Total

(\$ 230,750)

ITEM PROGRAM / DESCRIPTION

POSITIONS

AMOUNT

6. Program 274 - RSTA Carpentry:
Reduce 1.0 Teacher position (vacancy).

(1.0) Tchr.
benefits

(\$38,350)
(\$8,650)
(\$47,000)

RSTA Sub - Total

(\$47,000)

7. Program 330 - Special Education Learning Disabilities:
Reduce 1.33 FTE Learning Disabilities teacher positions by assigning corresponding caseload of approximately 35 students to Early Childhood Specialists at the primary grade level.

(1.33) Tchrs.
Benefits

(\$49,875)
(\$11,505)
(\$61,380)

- * 8. Program 355 - Special Education Central Medical Services:
Eliminate general fund support for services provided to the Bureau of Pupil Services by the Childrens Development Clinic at the Cambridge Hospital. Use Medicaid reimbursements to purchase the services instead. Agreement to appropriate Medicaid reimbursements to the School Department in FY'95 must be approved by the City Manager.

Services

(\$95,000)

9. Program 325 - Special Education Emotionally Disturbed:
Reduce 1.0 Primary Support Teacher position at the Fletcher School from the Welcome/Monitor Grant and move a general fund position to this grant.

(1.0) Tchr.
benefits

(\$37,500)
(\$8,650)
(\$46,150)

10. Program 345 - Special Education Substantially Delayed:
Reduce 1.0 teacher position and 1.0 aide-6 hr. position at the secondary level due to low enrollment. Reassign Teacher and aide to other vacant positions based on service needs.

(1.0) Tchr.
(1.0) Aide - 6
benefits

(\$37,500)
(\$14,185)
(\$17,300)
(\$68,985)

11. Program 372 - Special Education Tuitions:
Reduce increase for day and residential tuitions based upon revised current year expenditure levels.

Tuitions

(\$100,000)

Special Education Sub - Total

(\$371,515)

12. Program 132 - Bilingual Education:
Reduce 1.0 ESL teacher at the Morse School. Services to be provided by two 15 hour/week tutors which will be funded by the FY'95 Emergency Immigrant Grant.

(1.0) Tchr.
benefits

(\$37,500)
(\$8,650)
(\$46,150)

Bilingual Education Sub - Total

(\$46,150)

ATTACHMENT B

095 - 201

APPENDIX C

The method for managing fluctuations in debt service is to establish a Debt Service Stabilization Fund. Such a fund will allow state reimbursements (School Building Assistance) and local appropriations to be transferred in and out in order to match the timing of bond issues and avoid large fluctuations that will draw resources away from the operating budget. It will also provide a stable stream of revenues for new planned projects, contingent upon state reimbursement approvals.

The following chart provides an estimate of 10-year revenues, expenditures, and Debt Stabilization Fund impact. Current projects are those identified in FY'96 on the preceding page. Projects in the planning process include;

- Renovation/addition projects at the Fitzgerald and Morse, estimated at \$13.5 million and \$9.6 million, respectively, may be eligible for state reimbursement at 90%.

Table 3b
Future Debt Service Costs & Revenue Sources
(in \$ Millions)

Description	Budget FY'94	FY'95	FY'96	FY'97	FY'98	FY'99	FY'00	FY'01	FY'02	FY'03	FY'04
1. Revenues											
- SBAB Reimb (Old)	\$ 1.73	1.35	.34	.35	.14	.08	0	0	0	0	0
- SBAB Hagg/Agassiz	.88	2.19	2.20	2.19	2.19	2.19	2.19	2.19	2.19	2.19	1.32
- Local Tax Levy	<u>1.23</u>	<u>1.26</u>	<u>1.30</u>	<u>1.34</u>	<u>1.38</u>	<u>1.42</u>	<u>1.46</u>	<u>1.51</u>	<u>1.55</u>	<u>1.60</u>	<u>1.64</u>
Total	\$ 3.84	4.80	3.84	3.88	3.71	3.69	3.65	3.70	3.74	3.79	2.96
2. Expenditures											
- Pre-1995 Debt	\$ 3.31	2.04	1.95	1.85	1.28	0	0	0	0	0	0
- Haggerty Proj. \$9.1M		1.12	1.10	1.07	1.04	1.01	1.27	1.23	1.19	1.14	1.10
- Agassiz Proj. \$12.1 M		.34	1.75	1.69	1.63	1.57	1.50	1.66	1.59	1.52	1.44
- Agassiz Proj. \$.64 M			.10	.10	.09	.09	.09	.08	.08	.08	.07
- Ag. Hagg. Morse \$2.4 M	—	—	<u>.38</u>	<u>.37</u>	<u>.36</u>	<u>.34</u>	<u>.33</u>	<u>.32</u>	<u>.30</u>	<u>.28</u>	<u>.24</u>
Total	\$ 3.31	3.50	5.28	5.08	4.40	3.01	3.19	3.29	3.16	3.02	2.85
3. Difference Between Revenues & Expenditures	\$.53	1.30	(1.44)	(1.20)	(.69)	.68	.46	.41	.58	.77	.11
4. Impact of Debt Stabilization Fund											
- Beginning Balance	\$ 0	.53	1.83	.39	0	0	.68	1.14	1.55	2.13	2.90
- Transfer In	.53	1.30	-	-	-	.68	.46	.41	.58	.77	.11
- Transfer Out	—	—	<u>(1.44)</u>	<u>(.39)</u>	—	—	—	—	—	—	—
- Amount Available	\$.53	1.83	.39	0	0	.68	1.14	1.55	2.13	2.90	3.01
5. Increase in Property Tax Required	\$ 0	0	0	.81	.69	0	0	0	0	0	0

C 95 - 201

C 95 - 093

CHAIRMAN

MAYOR KENNETH E. REEVES

VICE CHAIRMAN

DAVID P. MAHER

SCHOOL COMMITTEE

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ROBIN A. HARRIS
E. DENISE SIMMONS

---IN SCHOOL COMMITTEE---

March 7, 1995

ORDERED:

That the following item be removed from the Calendar and adopted as amended:

#12, that the School Committee initiate a process to hire a facilities space planner to work with the School Committee, administrators, and schools around the issues concerning space both for the short term and long term. The individual will report directly to the School Committee and the Superintendent and will address both short and long term planning issues. Further, that Mayor Reeves work with the School Committee and city agencies to develop a community facilities plan with the Department of Human Service Programs, the City Manager, the Community Development Department and the School Department.

A true copy:

Attest:

Claire E. Rodley

Secretary of the School Committee

cc School Committee Members
Superintendent ✓
City Manager
Executive Director of Management Services



CITY OF CAMBRIDGE

CAMBRIDGE, MASSACHUSETTS 02139

TEL 349-4300

FAX 349-4307

EXECUTIVE DEPARTMENT
ROBERT W. HEALY
City Manager

RICHARD C. ROSSI
Deputy City Manager

May 15, 1995

To The Honorable, The City Council:

I am hereby requesting the appropriation of \$618,099.00 in retroactive medicaid reimbursement revenues to the School Department General Fund. The School Department Other Ordinary Maintenance Account will receive \$287,715.00 while the School Department Public Investment Fund Extraordinary Expenditures Account will receive \$330,384.00.

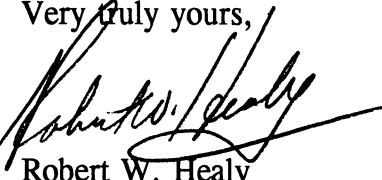
The general fund appropriation will support supplies, services and materials for special education, medical services, special education tuitions and contractor fees for Medicaid billing processing.

The Public Investment appropriation will support a one-time school furniture and equipment purchase, science lab renovations, technology infrastructure and other capital facilities projects.

The School Committee approved the appropriation on April 13, 1995. In addition to those funds, the School Department anticipates receiving approximately \$373,000 to \$400,000 in additional medicaid reimbursements prior to or shortly after July 1, 1995. Upon receipt of these funds, I will be forwarding a request to appropriate those funds to the School Stabilization Fund to offset future debt costs in the School budget.

For more detailed information, see the attached memo from Claire E. Rodley, Secretary to the School Committee.

Very truly yours,



Robert W. Healy
City Manager

RWH/mev
attachment

- 7A. Appropriation of \$287,715 to the School Dept. Other Ordinary Maintenance.
- 7B. Appropriation of \$330,384 to the School Dept. Extraordinary Expenditures for retroactive medicaid reimbursement.

In City Council,

May 15, 1995

7A- Order adopted

9-0-0

7B- Order adopted

9-0-0.