

**Belmont Public Schools
FY17 Budget Executive Summary**

School Committee

**Draft 1 Budget
February 23, 2016**



BUDGET OVERVIEW

Using FY16 to Inform FY17

The School Department is appreciative and thankful to have benefited in FY16 from the increase in funding, as a result of the Proposition 2 ½ Override passed by the Town of Belmont in April 2015. This needed increase in funding supported several lines in our budget including: 10 FTE teaching positions, funds for Students Services, Out of District Tuitions, and Special Education Transportation.

This increase in funding for FY16 put the district in the position to fully realize budget lines that supported teaching and learning, including the purchases of text, materials and supplies that have been historically frozen and reduced mid-year.

As we use our FY16 budget to inform our FY17 budget planning, it is clear that the district needed to utilize a zero-based budgeting process with each school and department. This process required every department director and school principal to meet with the Central Office administration to justify each non-salary budget line amount for FY17. This process will also be completed for all personnel lines in March.

The purpose of these meetings and the budgeting goal of the district is to allocate our funds toward the priorities of the School Department's Strategic Plan. You will notice in the "Financial Highlights and Changes" section of this document that there has been some re-allocation of funds targeting the budget lines that best represent our prioritization.

In FY16 the district implemented Year 1 of the 3 Year Fiscal Plan that was outlined in the Financial Task Force budget. The pressure points of increasing enrollment and subsequent space challenges continue to be a high priority. In FY16 the district was able to hire 10 FTEs (See Appendix 3.1) to combat higher class size and provide additional courses for Chenery and Belmont High School to reduce the number of non-scheduled and non-engaged students. In FY16 the district was able to create five additional classroom spaces for teaching and learning. Two spaces were repurposed at Chenery and Butler. Additionally, the high school moved into three modular spaces located behind the building.

In FY17 the district will implement Year 2 of the 3 Year Fiscal Plan that will bring 5 FTEs to support the reduction of class size and enrollment concerns. The school district formed a Space Task Force to analyze the enrollment and space issues. The recommendation of this group was to expand the high school footprint to the three additional modular spaces. These modular structures remain from previous building projects, and with some attention and maintenance, are suitable for classroom use. At the elementary level the district will repurpose a computer lab and after school program space into instructional space. At the Chenery the

district is seeking financial support from Town Meeting for the procurement of 6 modular classrooms to increase instructional space as the building is over capacity. The result is an increase of 11 classrooms throughout the district in response to growing enrollment challenges.

The School Department has been working diligently to operate within the current budget appropriation for FY16. The one line item of note that continues to represent a challenge is Out of District Tuition. Due to several high tuition cases the line is forecasted to be over spent by approximately \$700,000. The district has been vigilant in all aspects of budget and has put in place measures to reallocate funds to fill this gap. As of the FY16 Quarter 2 Update the district is projecting an aggregate short fall of approximately \$58,000. The district will continue to address this projected deficit during the second half of the year with the expectation of balancing the budget by the end of the fiscal year.

Per discussion with the Town Administrator the district will utilize an anticipated increase in state funding as well as the reallocation of funds within the forecasted FY17 budget. The additional funds projected in state revenue will go directly toward the Out of District line. The School Department reviewed the Financial Task Force Year 2 budget and reallocated funds to prioritized lines in the budget; the details of which are outlined in this document, specifically in the FY17 Budget Financial Highlights and Changes page.

In conclusion, the School Department will utilize its Strategic Plan to guide and prioritize the allocation of its budget dollars. We have embarked on a zero based budgeting process to ensure that every dollar is expended with efficiency and effectiveness. These funds will be allocated toward the goal of providing our students, staff, families, and community the best education experience that the Town of Belmont expects and deserves.

Respectfully submitted,

John P. Phelan
Superintendent

**FY17 BUDGET
FINANCIAL HIGHLIGHTS AND CHANGES**

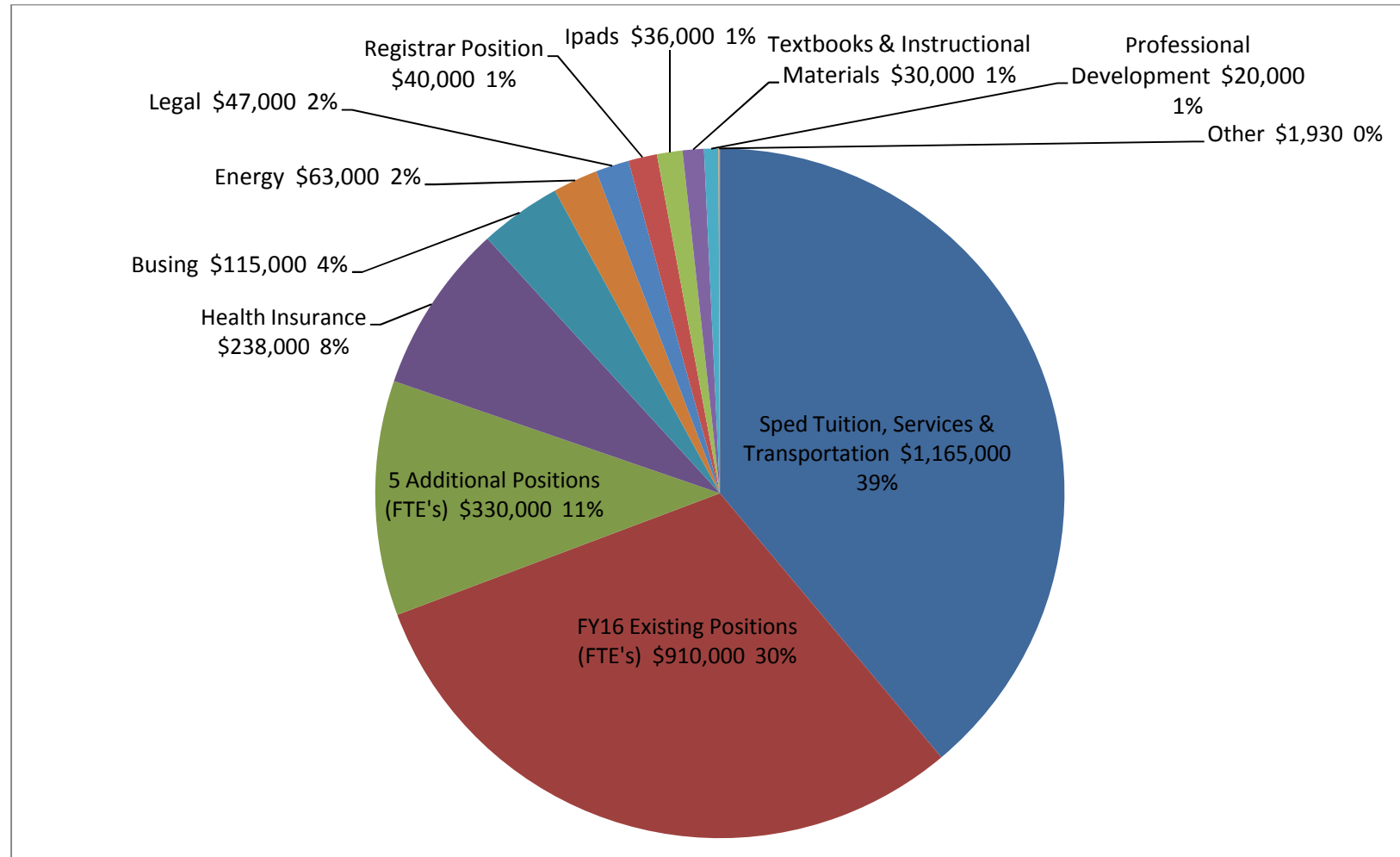
The FY17 School Department Budget includes:

1. General Budget allocation increase from \$49,660,070 in FY16 to \$52,656,000 in FY17, for a total increase of \$2,995,930 or 6%*.
2. Funding for Special Education out of district tuitions, contract services and transportation at projected FY16 cost levels, plus Task Force annual index factor of 7%: \$1,165,000 increase over FY16 Budget
3. All FY17 positions (FTE's) : \$910,000 increase over FY16 Budget
4. Five additional positions (FTE's) outlined in School (Task Force) Plan, to address existing and anticipated student enrollment: \$330,000 increase over FY16 Budget
 - a. 1.0 FTE Full Day Kindergarten Teacher (exchanged for MS Guidance Counselor added in FY16)
 - b. 1.0 FTE Grade 2 Teacher
 - c. 1.0 FTE Middle School Unified Arts Teacher
 - d. 1.0 FTE High School Content Area Teacher
 - e. 1.0 FTE High School Guidance Counselor
5. Funding health insurance premiums for FY16 and FY17 additional positions at 2.5% over FY16 rates: \$238,000 increase over FY16 Budget
6. Busing: \$115,000 increase over FY16 Budget
 - a. One additional bus for regular day transportation (going from 6 to 7) to support current ridership. Seventh bus will likely not address all new housing developments.
 - b. Resolves on-going operating deficit where expenses have been greater than fees plus general fund budget for busing
7. Increase in energy costs using Task Force annual index factor of 5%: \$63,000 increase over FY16 Budget
8. Increase in legal costs for FY17 contract negotiations: \$47,000 increase over the FY16 Budget
9. Position added for district-wide Registrar: \$40,000 increase over FY16 Budget
10. Increased funding for HS Ipad initiative: \$36,000 increase over FY16 Budget
11. Centralizing funds for the strategic purchase of cyclical textbook and curriculum material needs: \$30,000 increase over FY16 Budget
12. Increased funding for professional development: \$20,000 increase over FY16 Budget

*Note: Working in conjunction with the Town, facilities-related line items in the School Budget are being migrated to the Town Facilities Department Budget in a phased approach, beginning in FY17. The FY17 amount being migrated is \$2,529,417. Prior to this migration, the School Budget is \$52,656,000. After migration, the remaining School Budget is \$50,126,583.

Budget Increases: FY16 to FY17
Dollar Amount and % of Total Increase by Category

Total Increase \$2,995,930 (prior to migration of school facilities line items to Facilities Department Budget)



FY17 SCHOOL DEPARTMENT INITIATIVES

- To support the Strategic Plan of the Belmont Public Schools (Appendix 2)
- To continue the district-wide professional development for staff on Social Emotional Learning, to support the outcomes of the Achievement Gap Task Force (A.1, A.2)
- Implementation of year two of the three year budget plan of the Financial Task Force Committee budget to address class size issues, to engage students in educationally beneficial programming (B.1)
- Continued review of class sizes and control of elementary assignments with planning for projected enrollment increases (B.1)
- To increase teaching and learning spaces throughout the district by implementing the recommendations of the Space Task Force (B.1)
- Continue to monitor and analyze the deployment of Student Services funding in the FY17 budget to address mandated costs; simultaneously review and improve the budget tracking systems in these areas (B.5)
- Expansion of iPad instructional models (1:1 for all students in grades 9, 10,11, and 12 at BHS) (B.3)
- Professional development focus areas preK-12: curriculum and assessment development and review; technology tools and applications to improve instruction, teaching English Language Learners, shared inquiry circles to develop critical thinking skills, social emotional learning to improve the district's capacity to engage and support all learners (A.1, A.3, A.5, B.3)
- Development of a prioritized three year plan for textbook (and ebook) adoption in all curriculum areas (B.2)
- Review of security consultant report (to be submitted) and discussion of next steps for enhancements and implementation of recommendations from special advisory group on safety and security (B.6)

***** Please see the Strategic Plan Appendix (1.1 & 1.2) for Key Initiatives referenced above.**

FY17 BUDGET OBJECTIVES

- Align FY17 budget to the priorities of the district strategic plan
- Maintain rigorous and high quality of instruction and student engagement for all students
- Maintain the staffing levels commensurate to the increase in enrollment needed to maintain the existing quality of educational services to our students
- Maintain the well-rounded education comprised of rigorous academics, strong performing arts, high participation in athletics, extra-curricular experiences, and community service
- Maintain Belmont as a Level 1 (highest performance rating) District
- Provide mandated Sheltered English Immersion training for teachers
- Meet existing contractual commitments
- Maintain and support the continuous improvement of our staff through professional development
- To the extent possible, address increasing class sizes and program offerings
- Maintain existing facilities and avoid deferred maintenance
- Maintain competitive compensation to attract and retain high quality teachers and administrators
- Meet the space challenges presented by continued increased enrollment

TECHNICAL BUDGET ASSUMPTIONS

- All grants are budgeted as level funded from FY16 awarded amounts to FY17
- School Budget for FY17 is \$52,656,000, prior to migration of facilities-related line items to the Town Facilities Department; School Budget is \$50,126,583 after migration
- Health insurance premiums are budgeted to increase by 2.5% over FY16 rates
- Athletic program will continue to be funded 40% from the General Fund, 60% from user fees and gate receipts
- Roll forward all existing positions; and add 5 FTEs as recommended in Year 2 of the Financial Task Force Committee Budget

- Capital Funds will support the expansion of 11 classrooms through the procurement of modular space, and purchase of furniture and technology for all 11 classrooms (see Space Challenges Appendix 4)

PRIMARY COST DRIVERS

- Enrollment is expected to increase by an estimated 100 students in FY17 (see Enrollment Appendix 2))
- Student enrollment increasing markedly; predicted five year increase (FY16-FY20) of another 483 students – bringing the ten year period from October 2009-October 2019 to over 800 additional students to the district
- Mandated costs for both Special Education and ELL services have escalated over a number of years, resulting in a budget deficit in the Out of District budget line (see Special Education Appendix 5)
- As a result of the “actual expenditure” amounts in FY16 the following mandated cost line items were increased by the following amounts for FY17:
 - Out of District tuition increased by \$1,165,000
 - Regular Education Transportation increased by \$115,000

UNKNOWN VARIABLES

- Further increases in student enrollment, and the cost of the corresponding additional student supports needed, especially in the areas of ELL, Special Education and Space needs
- Increases or decreases in State and Federal Grants (Full Day Kindergarten, Circuit Breaker Reimbursement, Title I, Title IIA, etc.) have not been finalized for FY17
- Cost to prepare for implementation of Belmont High School project recommendations that include modular classrooms in FY17
- Legal and related costs entering into a contract negotiation year
- Utility and maintenance costs due to aging facilities, weather, and utilities

FY17 Budget Appendix

- Appendix 1 - Strategic Plan
- Appendix 2 - Enrollment
- Appendix 3 - Financial Task Force 3 Year Fiscal Plan
- Appendix 4 - Space Challenges
- Appendix 5 - Special Education

MISSION STATEMENT: 2012 – 2017

With a commitment to teaching and learning, the Belmont Public Schools strive to nurture the knowledge, skills, and emotional development of each student in order to create a community of engaged learners who contribute to the common good and are of service to others.

CORE BELIEFS

We believe that

- All students are capable of learning at high levels.
- Everyone deserves to learn in a safe and supported learning environment in which all members of the school community demonstrate respect for each other.
- Successful students and educators need 21st century skills, including the ability to solve problems, communicate effectively, collaborate, and think critically.
- A sense of community is essential for the development of every learner.
- Education for the whole child requires development of the child’s academic, social, physical, and emotional well-being.
- Education is best achieved when students, teachers, and parents work together.
- Students will work and live in a world very different from the one in which they, their teachers, and their parents grew up.
- Student success is measured in a variety of ways.
- Public education is the primary means society has for safeguarding democracy and achieving social justice.

VISION STATEMENT: 2017

The Belmont Public Schools provide an innovative environment where all adults and children develop and apply the curiosity, skills, and habits of life-long learners. Our success is built on a partnership of educators, families, and community members that is committed to providing the means for Belmont’s children to create happy and successful lives.

In June 2017, all students in the Belmont Public Schools

- Learn: Develop the confidence and resilience that result from exceptional effort;
- Think: Authentically engage in a rigorous curriculum;
- Create: Apply their learning to address important challenges;
- Serve: Make a positive difference in the lives of other people.

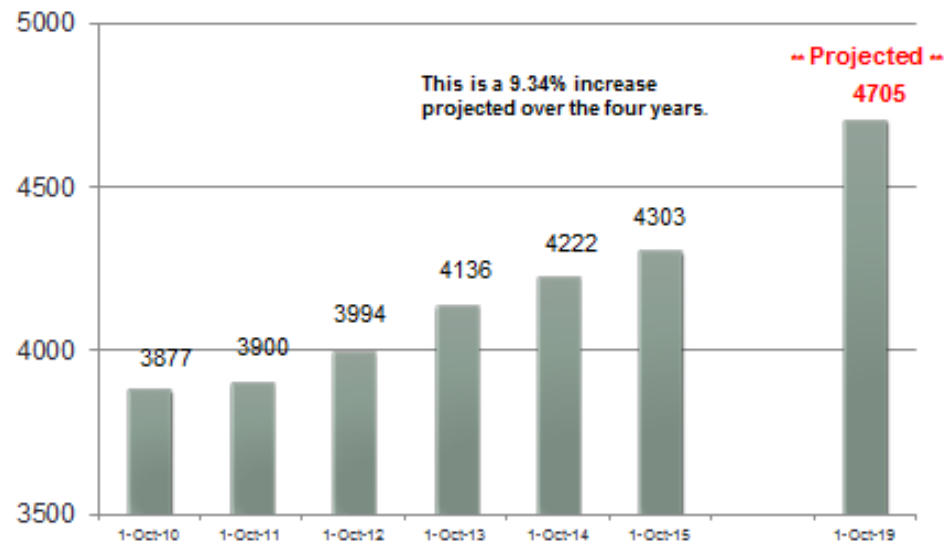
MOTTO: 2012 - 2017

Learn * Think * Create * Serve

STRATEGIC PLAN -----Appendix 1.2

	Strategic Goals	Key Initiatives for 2015-2016
A.	<p><i>To prepare all students for college, career, and life-long learning through</i></p> <ul style="list-style-type: none"> • a balanced and healthy school experience, • continuity of curricula aligned with Commonwealth and community standards, • support for educators to experiment and innovate, and • clear articulation of instructional models. 	<p><u>Focus Areas:</u> A1. Implement district-wide Social Emotional Learning framework A2. Develop a short and long term plan to address student performance achievement gaps <u>Ongoing Operational Work:</u> A3. Improve the use of common assessment data. A4. Continue to implement state model for English language learners A5. Align Belmont curriculum to state core curriculum, especially science</p>
B.	<p><i>To support continuous improvement and overall programmatic and fiscal stability by</i></p> <ul style="list-style-type: none"> • engaging administrators, teachers, students, and community stakeholders in generally accepted practices of long-term strategic planning. 	<p><u>Ongoing Operational Work:</u> B1. Develop a short and long term plan to address increasing enrollment including space, staff, and resources. B2. Develop a fiscal management plan for texts, materials, supplies, furniture, technology, and substitutes. B3. Develop a Technology Plan to articulate short and long plan for technology infrastructure and integration for teaching and learning B4. Develop, communicate, quantify, and incorporate into the budget a plan for preventative maintenance and capital needs. B5. Develop a plan to increase in-district special education capacity through a review of current programs and service-delivery models B6. Review, revise, and practice district/school safety protocols. B7. Review and respond to NEASC findings at BHS. B8. Establish a task for to develop the next three year Strategic Plan</p>
C.	<p><i>To ensure that students receive instruction from consistently highly qualified educators who pursue continuous improvement of their art by</i></p> <ul style="list-style-type: none"> • hiring well-prepared and diverse professionals, • sustaining continuous professional development by means of clear and coherent plans, and • implementing a successful educator evaluation system in line with new Commonwealth standards. 	<p><u>Ongoing Operational Work:</u> C1. Extend professional personnel recruitment to expand the diversity of the applicant pool C2. Develop a sustainable substitute system</p>

BPS K-12 Enrollment
 From October 1, 2010 to October 1, 2015



Enrollment – District Wide

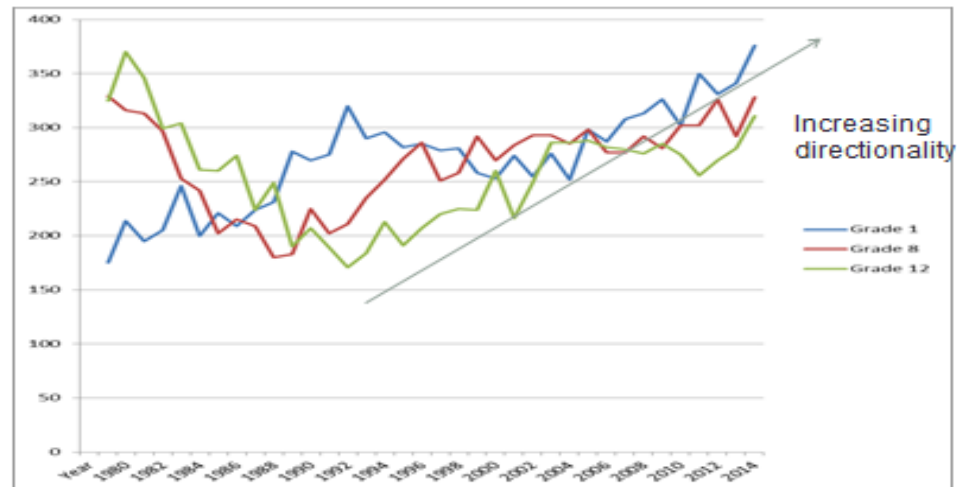
Aggregate Increase over 5 Year Period & Projection over the next 4 Year Period

	Oct. 1, 2010	Oct. 1, 2011	Oct. 1, 2012	Oct. 1, 2013	Oct. 1, 2014	Oct. 1, 2015		Oct. 1, 2019
BPS K-12 Enrollment	3877	3900	3994	4136	4222	4303		**4705
		23	94	142	86	81		
			Increase, 2010 to 2015		426			
			Increase, 2009 to 2019					**800

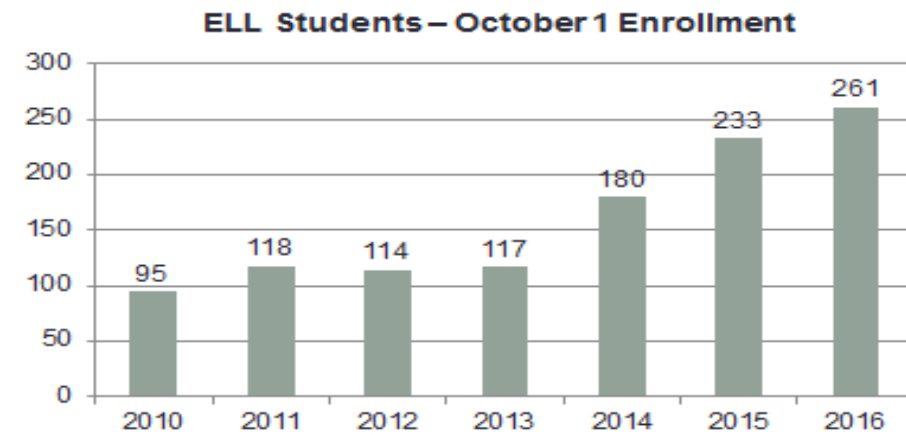
Given the trend the increase in enrollment combined with the two Town of Belmont building projects (Uplands and Cushing Village) coming "online" we are projecting another 402 students to enroll by the 2019 school year.

**Enrollment Projections based on NESDEC Plus 30 Index with Uplands and Cushing Square taken into consideration **

35 Year Enrollment History



ELL Enrollment, FY10-FY16



FINANCIAL TASK FORCE THREE YEAR FISCAL PLAN-----Appendix 3.1

<u>Level</u>	<u>Year One (SY 15/16)</u>	<u>Year Two (SY 16/17)</u>	<u>Year Three (SY17/18)</u>
Elementary	1.0 Grade 4 Teacher 1.0 Grade One Teacher	1.0 Grade 2 Teacher <u>1.0 KINDERGARTEN TEACHER</u>	1.0 Grade 3 Teacher
Middle	1.0 Grade 5 Teacher 1.0 Unified Arts Teacher(s) <u>1.0 GUIDANCE COUNSELOR</u>	1.0 Unified Arts	
High	3.0 FTE's for Reduction of non- -engaged/non-scheduled students	1.0 FTE [Reduction of non- engaged/non-scheduled students] 1.0 Guidance Counselor	1.0 FTE [Reduction of non-engaged/non- scheduled students]
DW	2.0 English Language Learner Teachers		1.0 Technology Staff 1.0 Instructional Technology Specialist 1.0 Social emotional learning Staff Person
Total FTE Count	10.0	5.0	5.0

District Needs: Space – 2015/16

As a result of the surge in enrollment the need for additional space has become paramount.

- For the 2015/16 school year the district took several internal measures to add space:
 - **BHS** – updated three existing modular classrooms for daily use
 - **CMS** – created room for a grade 5 classroom by moving a computer lab into retrofitted space in the library
 - **Elementary** - The Butler School repurposed a space (3/4 classroom size) to become the additional grade one class, the Wellington School added a grade 4 class thus bringing the school to capacity
- A Space Task Force (STF) was established to assess the short term and long term needs of the district

District Needs: Space – 2016/17

- After a review of the data, the STF recommended the following measures:
 1. **BHS** – will expand into existing space utilizing three modular classrooms behind the high school
 2. **CMS** – should procure six new modular classrooms for Chenery
 3. **Elementary** – will repurpose space at the Burbank to create one or two additional classrooms (pending enrollment)

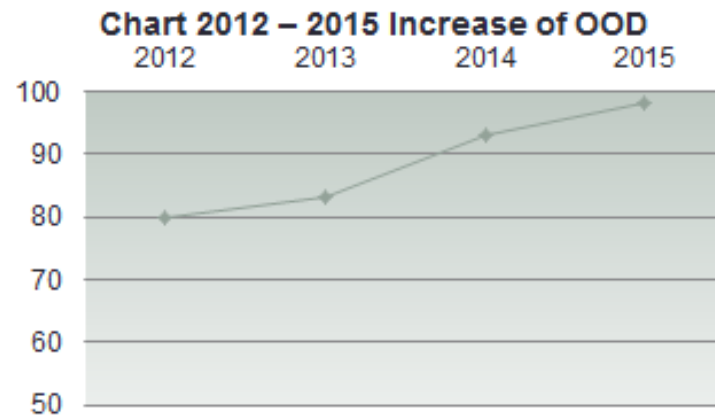
This plan creates 11 additional classrooms district wide to address increased enrollment and class size concerns

Four Year Historic Enrollment Trend

How does the percentage of students IEPs in Belmont compare to like districts?

2012	2013	2014	2015
80	83	93	98

**Belmont Public Schools
OOD Student
Placements
October 1 2012-2015**



What does the data say?

LABBB District	% of total population on IEP's	% of students on IEP's served out of district	
Arlington	13.9%	20.7%	
Bedford	16.9%	17.6%	
Belmont	9.2%	19.1%	
Burlington	13.2%	20.7%	
Lexington	14.2%	12.9%	
State	17%	21.6%	
		Walker Report 2014	

This would suggest that Belmont has:

1. Roughly the same percentage of OOD students than it peer districts and the state.
2. A markedly lower rate of students on IEP's as compared to its peer communities and the state.

Context for Student Service Expenditures

What is going on at the State level?

- The State legislature commissioned the a study to review the Foundation Budget formula (Chapter 70).
- The Foundation Budget Review Commission was put in place in 2014.
- The final report of the FBRC was submitted to the legislature on October 30, 2015.
- It cited several major pressure points on education funding across the state that negatively impacted school districts.
- These pressure points must be adjusted for at the state level as the fanancial pressure on districts is un

Some quotes from the FBRC

- "...actual costs of health insurance and special education have far surpassed the assumptions built into the formula for calculating the foundation budget. As a result, those costs have significantly reduced the resources available to support other key investments." FBRC p. 5
- "However, districts spend far more on special education tuition for out-of-district placements than what is allocated through the foundation budget." p.6 FBRC

**** In summary the FBRC report stated that school districts have needed to reduce spending in budget lines that support general education programming to support the increases expenditures on mandated services.**