

EXHIBIT D

2-7-17

BELMONT PUBLIC SCHOOLS FY18 “DRAFT 1” BUDGET PRESENTATION

School Committee

February 7, 2017

FY18 Budget Process

1. **Using FY17 to Inform FY18**
 1. Highlight and Changes from FY17 to FY18
2. **Recognition of Enrollment, Class Size and Space Issues**
3. **FY18 Budget Planning**
 1. Three Year Budget Plan; Zero-based budgeting process utilized
 2. Using the Belmont Public Schools Strategic Plan to guide budgeting process

Using FY17 to Inform FY18

1. Using FY17 to Inform FY18 – Per Pupil Spending

- Review of per pupil spending report by the Department of Elementary and Secondary Learning (DESE) from FY11-FY15 (the most recent year available)
- Cohort districts include:
 - Comparable districts
 - Level 1 districts
 - Neighboring communities
- Listing of districts:

Acton Boxboro
 Acton-Boxborough
 Arlington
 Bedford
BELMONT
 Brookline
 Burlington

Cambridge
 Concord
 Concord Carlisle
 Dover
 Dover-Sherborn
 Lexington
 Marblehead

Milton
 Newton
 Sharon
 Sherborn
 Sudbury
 Waltham
 Watertown

Wayland
 Wellesley
 Westborough
 Westford
 Weston
 Westwood
 Winchester

1. Using FY17 to Inform FY18 – Per Pupil Spending

Findings

- Belmont has consistently spent less on a per pupil basis than the state average, and the average of cohort districts
- Belmont ranks 25th or 26th in per pupil spending among 28 cohort districts from FY11-FY15

PER PUPIL SPENDING: BELMONT VS STATE AVERAGE AND COHORT DISTRICTS FY11-FY15 (1 of 3)

| DISTRICT | COMPARABLE TO BELMONT | LEVEL 1 2016 | BORDERS BELMONT | FY11 \$ | FY11 RANK | FY12 \$ | FY12 RANK | FY13 \$ | FY13 RANK | FY14 \$ | FY14 RANK | FY15 \$ | FY15 RANK |
|-------------------|-----------------------|--------------|-----------------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|
| 1Cambridge | | | X | 26,305 | 1 | 27,018 | 1 | 27,474 | 1 | 27,163 | 1 | 27,569 | 1 |
| 2Concord Carlisle | X | | | 20,066 | 2 | 20,525 | 2 | 20,751 | 2 | 20,446 | 4 | 20,760 | 4 |
| 3Waltham | | | X | 19,741 | 3 | 18,899 | 4 | 18,866 | 6 | 19,502 | 5 | 19,940 | 6 |
| 4Weston | X | | | 19,352 | 4 | 19,915 | 3 | 20,579 | 3 | 21,653 | 2 | 22,768 | 3 |
| 5Dover | | X | | 17,607 | 5 | 18,313 | 5 | 19,323 | 4 | 21,336 | 3 | 24,263 | 2 |
| 6Bedford | X | | | 16,963 | 6 | 16,600 | 9 | 16,993 | 11 | 17,226 | 13 | 17,839 | 12 |
| 7Concord | X | | | 16,637 | 7 | 16,893 | 6 | 16,098 | 16 | 16,457 | 15 | 17,517 | 15 |
| 8Brookline | X | | | 16,556 | 8 | 16,626 | 8 | 16,924 | 12 | 17,291 | 12 | 17,652 | 13 |
| 9Lexington | X | | X | 16,552 | 9 | 16,726 | 7 | 16,821 | 13 | 17,496 | 10 | N/A | N/A |
| 10Dover-Sherborn | | X | | 16,495 | 10 | 16,434 | 11 | 17,123 | 10 | 17,650 | 8 | 18,673 | 9 |
| 11Newton | X | | | 16,397 | 11 | 16,400 | 12 | 17,141 | 9 | 17,581 | 9 | 18,096 | 11 |
| 12Watertown | | | X | 16,008 | 12 | 16,493 | 10 | 17,279 | 7 | 17,292 | 11 | 20,134 | 5 |
| 13Wellesley | X | | | 15,421 | 13 | 15,085 | 16 | 17,232 | 8 | 17,108 | 14 | 18,289 | 10 |
| 14Wayland | X | | | 15,156 | 14 | 15,902 | 13 | 16,177 | 15 | 16,445 | 16 | 17,650 | 14 |

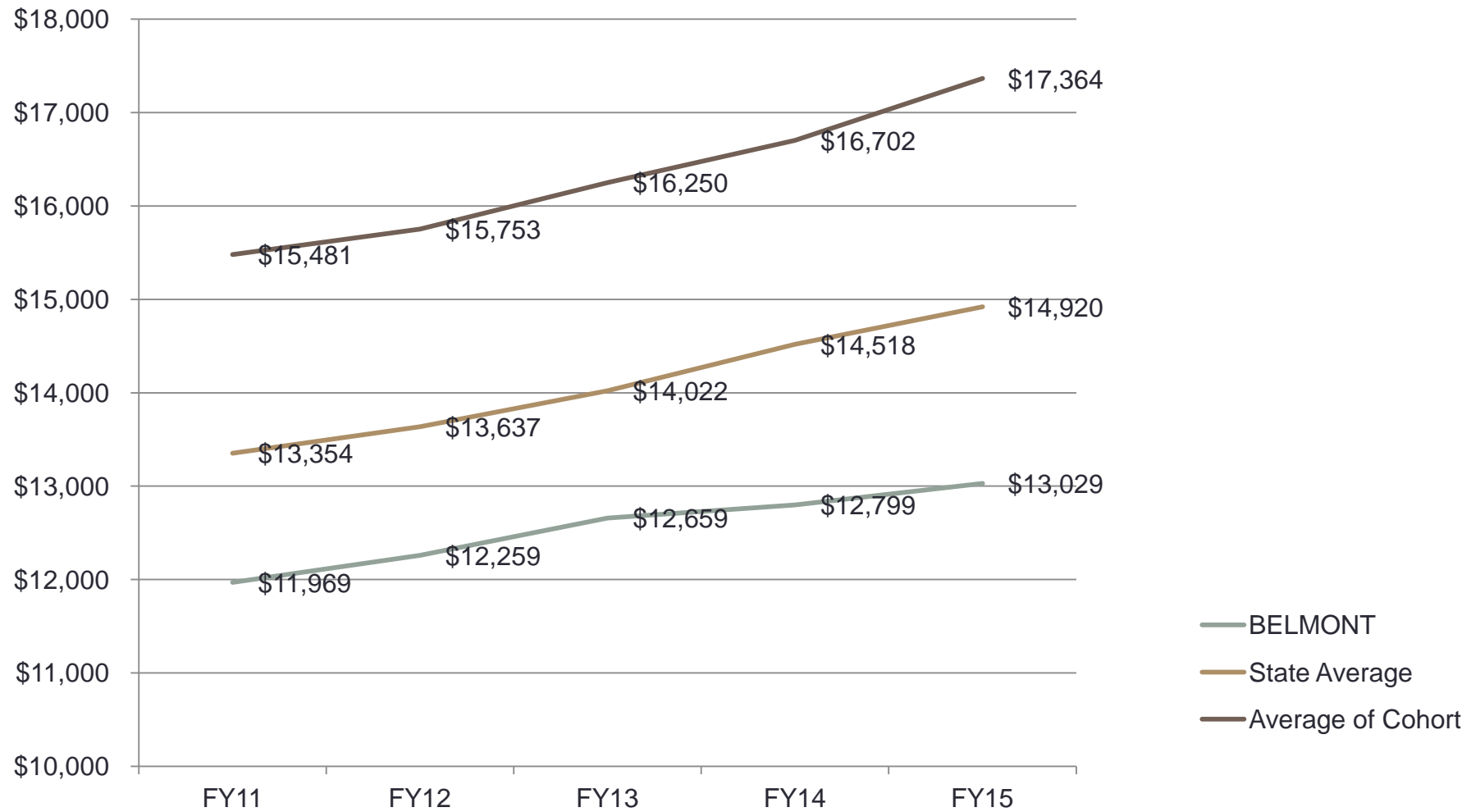
PER PUPIL SPENDING: BELMONT VS STATE AVERAGE AND COHORT DISTRICTS FY11-FY15 (2 of 3)

| DISTRICT | COMPARABLE TO BELMONT | LEVEL 1 2016 | BORDERS BELMONT | FY11 \$ | FY11 RANK | FY12 \$ | FY12 RANK | FY13 \$ | FY13 RANK | FY14 \$ | FY14 RANK | FY15 \$ | FY15 RANK |
|---------------------|-----------------------|--------------|-----------------|---------------|-----------|---------------|-----------|---------------|-----------|---------------|-----------|---------------|-----------|
| 15 Sherborn | | X | | 15,129 | 15 | 15,720 | 15 | 19,317 | 5 | 18,378 | 6 | 19,534 | 7 |
| 16 Burlington | X | | | 15,008 | 16 | 15,893 | 14 | 16,643 | 14 | 17,700 | 7 | 19,238 | 8 |
| 17 Sharon | | X | | 14,096 | 17 | 14,527 | 18 | 14,659 | 18 | 15,021 | 18 | 15,401 | 17 |
| 18 Westborough | | X | | 14,007 | 18 | 14,545 | 17 | 14,306 | 19 | 14,736 | 21 | 14,813 | 18 |
| 19 Westwood | | X | | 13,999 | 19 | 14,197 | 19 | 14,827 | 17 | 15,337 | 17 | 15,833 | 16 |
| 20 Acton-Boxborough | X | | | 13,182 | 20 | 13,697 | 20 | 13,962 | 20 | 14,937 | 19 | 14,016 | 21 |
| 21 Acton Boxboro | X | | | 13,182 | 20 | 13,697 | 20 | 13,962 | 20 | 14,937 | 19 | 14,016 | 21 |
| 22 Arlington | X | | X | 12,942 | 22 | 12,603 | 25 | 12,546 | 26 | 13,085 | 25 | 13,290 | 24 |
| 23 Marblehead | X | | | 12,727 | 23 | 12,998 | 22 | 12,706 | 24 | 13,218 | 24 | 13,678 | 23 |
| 24 Milton | X | | | 12,613 | 24 | 12,816 | 24 | 12,992 | 23 | 13,499 | 23 | 14,116 | 20 |
| 25 Sudbury | X | | | 12,359 | 25 | 12,899 | 23 | 13,426 | 22 | 14,246 | 22 | 14,797 | 19 |
| 26 BELMONT | | | X | 11,969 | 26 | 12,259 | 26 | 12,659 | 25 | 12,799 | 26 | 13,029 | 26 |
| 27 Winchester | X | | | 11,822 | 27 | 11,954 | 27 | 12,380 | 27 | 12,579 | 27 | 12,801 | 27 |
| 28 Westford | X | X | | 11,179 | 28 | 11,449 | 28 | 11,838 | 28 | 12,529 | 28 | 13,118 | 25 |

PER PUPIL SPENDING: BELMONT VS STATE AVERAGE AND COHORT DISTRICTS FY11-FY15 (3 of 3)

| DISTRICT | | | | FY11 \$ | | FY12 \$ | | FY13 \$ | | FY14 \$ | | FY15 \$ | |
|------------------------|--|--|--|---------------|--|---------------|--|---------------|--|---------------|--|---------------|--|
| State Average | | | | 13,354 | | 13,637 | | 14,022 | | 14,518 | | 14,920 | |
| BELMONT | | | | 11,969 | | 12,259 | | 12,659 | | 12,799 | | 13,029 | |
| State Ave vs. BELMONT | | | | 1,385 | | 1,378 | | 1,363 | | 1,718 | | 1,891 | |
| % Below State Average | | | | 11.6% | | 11.2% | | 10.8% | | 13.4% | | 14.5% | |
| Average of Cohort | | | | 15,481 | | 15,753 | | 16,250 | | 16,702 | | 17,364 | |
| BELMONT | | | | 11,969 | | 12,259 | | 12,659 | | 12,799 | | 13,029 | |
| Cohort Ave vs. BELMONT | | | | 3,512 | | 3,494 | | 3,591 | | 3,903 | | 4,336 | |
| % Below Cohort Average | | | | 29.3% | | 28.5% | | 28.4% | | 30.5% | | 33.3% | |

PER PUPIL SPENDING: BELMONT VS STATE AVERAGE AND COHORT DISTRICTS FY11-FY15



Data Source: <http://www.doe.mass.edu/finance/statistics/ppx15.html>

1. Using FY17 to Inform FY18

- ✓ District benefited enormously by the Spring 2015 Override funds in FY16 and FY17:
 - ✓ 10 FTEs in FY16
 - ✓ 5 FTEs in FY17
 - ✓ Infusion for mandated Student Services costs –Special Education Transportation and Out of District Tuition, and Contracted Services
 - ✓ Principals and directors are now able to expend budgeted funds without any mandated “freezes” – first time in over 6 years
 - ✓ FY16 became a new baseline for expenditures of texts, materials & supplies, professional development, and other operational costs

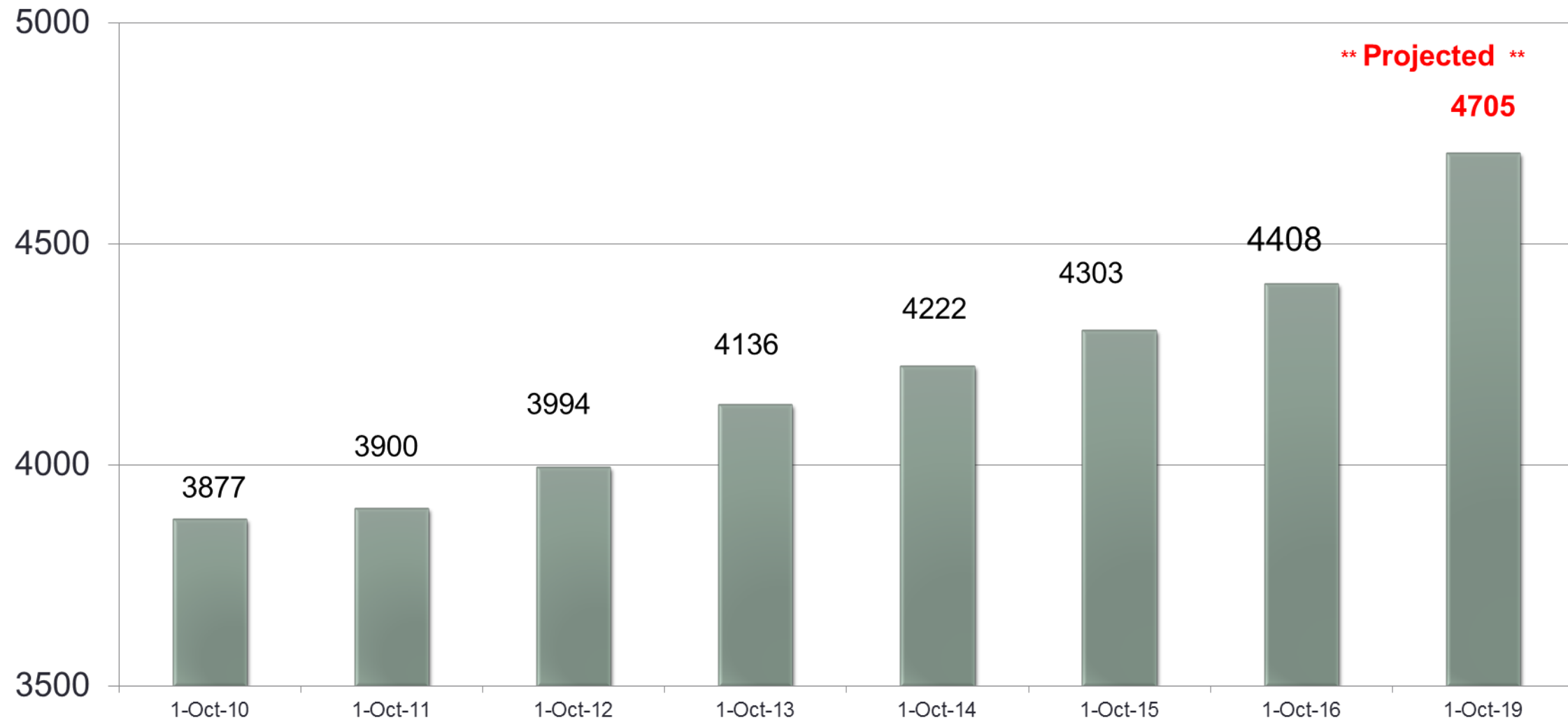
1. Using FY17 to Inform FY18 (cont.)

- ✓2. The FY16 & FY17 budgets has been managed well in the aggregate
- ✓3. FY17 operations are on track to meet existing needs within the budget
- ✓4. Increasing enrollment, class size and space are becoming pressure points during this time period and we are using that information to develop the FY18 Budget

Recognition of Enrollment, Class Size and Space Issues

2. Enrollment, Class Size and Space Issues

BPS K-12 Enrollment
From October 1, 2010 to October 1, 2016



2. Enrollment, Class Size and Space Issues

Enrollment – District Wide

Aggregate Increase over 5 Year Period & Projection over the next 3 Year Period

| | Oct. 1, 2011 | Oct. 1, 2012 | Oct. 1, 2013 | Oct. 1, 2014 | Oct. 1, 2015 | Oct. 1 2016 | | Oct. 1, 2019 |
|------------------------|-----------------|-----------------|-------------------------------|-----------------|-----------------|----------------|------------|-----------------|
| BPS K-12 Enrollment | 3900 | 3994 | 4136 | 4222 | 4303 | 4408 | | **4705 |
| | | 94 | 142 | 86 | 81 | 105 | | |
| | | | <i>Increase, 2011 to 2016</i> | | | | 508 | |
| | | | | | | | | |

Given the average five year increase is 101 students per year our current projection of 4705 by 2019 SY is accurate.

2. Enrollment, Class Size and Space Issues

Elementary Class Sizes (10/1/16)

| (Guidelines) | 16 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | Total | # > Guidelines | % > Guidelines |
|------------------|----------|----------|----------|-----------|-----------|-----------|-----------|----------|-----------|----------------|----------------|
| K (18-22) | | | | 1 | 8 | 6 | | | 15 | 14 | 93% |
| 1 (19-23) | | | 3 | 10 | 2 | | | | 15 | 0 | 0% |
| 2 (19-23) | 1 | | | 4 | 3 | 7 | 2 | | 17 | 9 | 53% |
| 3 (20-24) | | | | 1 | 2 | 4 | 7 | 1 | 15 | 8 | 53% |
| 4 (20-24) | | 1 | | 1 | 5 | 7 | 1 | | 15 | 1 | 7% |
| Total | 1 | 1 | 3 | 17 | 20 | 24 | 10 | 1 | 77 | 32 | 42% |

2. Enrollment, Class Size and Space Issues

- Our enrollment increases by 100 students per year.
- Our elementary class size is increasing each year and many classes are above School Committee recommended levels.
- The district has provided over 15 additional classroom spaces over the last 2 years.
- 12 modular classrooms are in use at BHS and CMS.
- The need for additional space at the elementary level – including the option for modular space being discussed and researched.

2. Enrollment, Class Size and Space Issues

Five Year Enrollment Projections per Fall 2016 Update from McKibben Associates

| <u>Grade</u> | <u>15/16</u> | <u>16/17</u> | <u>17/18</u> | <u>18/19</u> | <u>19/20</u> | <u>20/21</u> | <u>21/22</u> | |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--|
| K | 313 | 350 | 346 | 344 | 340 | 338 | 342 | |
| 1 | 370 (+1) | 329 | 367 | 363 | 360 | 356 | 353 | |
| 2 | 355 | 391 (+2) | 339 | 376 | 372 | 369 | 368 | |
| 3 | 341 | 365 | 399 (+2) | 344 | 381 | 377 | 378 | |
| 4 | 349 | 350 | 373 | 409 (+2) | 352 | 392 | 389 | |
| 5 | 332 | 348 | 347 | 369 | 405 | 348 | 386 | |
| | | | | | | | | |

Average Class Size Chart by total population by grade

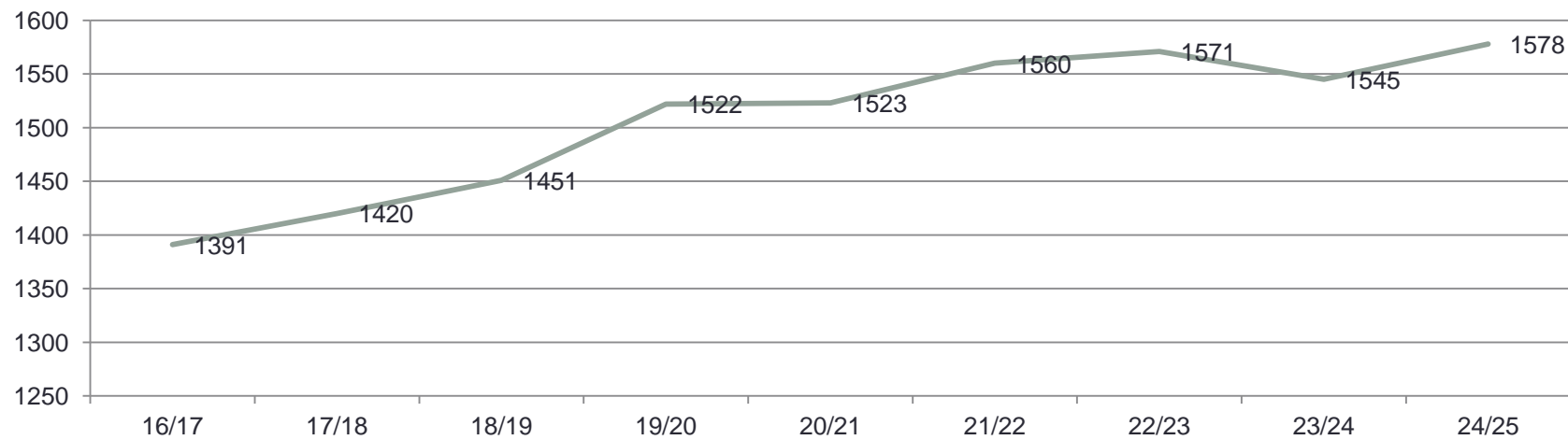
| <u>Total K-4</u> | <u>14</u> | <u>15 (Standard)</u> | <u>16 (Plus 1)</u> | <u>17</u> |
|------------------|-----------|----------------------|--------------------|-----------|
| 335 | 24 | <u>22.3</u> | 21 | 20 |
| | | - | | |
| 350 | 25 | <u>23.3</u> | 22 | 21 |
| | | - | | |
| 360 | 26 | <u>24</u> | 23 | 21.1 |
| | | - | | |
| 380 | 27.1 | <u>25.3</u> | 24 | 22.3 |
| | | - | | |
| 400 | 29 | <u>27</u> | 25 | 24 |

2. Enrollment, Class Size and Space Issues

Chenery Middle School 9 Year Enrollment Forecast

| <u>Year</u> | <u>16/17</u> | <u>17/18</u> | <u>18/19</u> | <u>19/20</u> | <u>20/21</u> | <u>21/22</u> | <u>22/23</u> | <u>23/24</u> | <u>24/25</u> |
|-------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Enroll | 1391 | 1420 | 1451 | 1522 | 1523 | 1560 | 1571 | 1545 | 1578 |
| # change | 36 | 29 | 31 | 71 | 1 | 37 | 11 | -26 | 33 |
| % change | 2.70% | 2.10% | 2.20% | 4.90% | 0.10% | 2.40% | 0.70% | -1.70% | 2.10% |

**CMS Enrollment Projection
2016/17-2024/25**



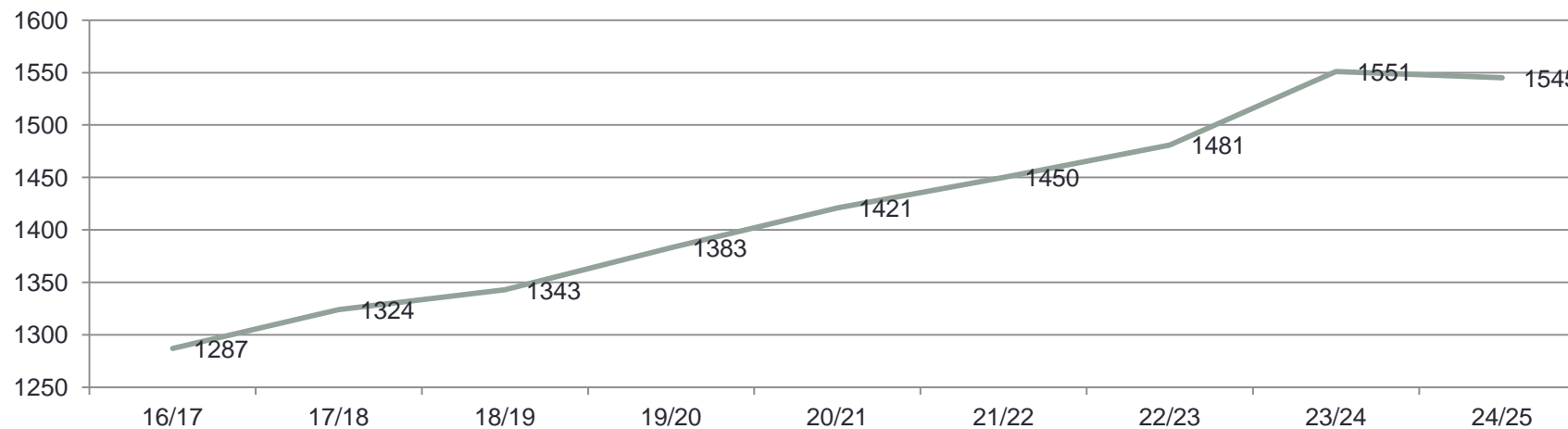
Data Source: McKibben Associates, October, 2016

2. Enrollment, Class Size and Space Issues

Belmont High School 9 Year Enrollment Forecast

| <u>Year</u> | <u>16/17</u> | <u>17/18</u> | <u>18/19</u> | <u>19/20</u> | <u>20/21</u> | <u>21/22</u> | <u>22/23</u> | <u>23/24</u> | <u>24/25</u> |
|-------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Enroll | 1287 | 1324 | 1343 | 1383 | 1421 | 1450 | 1481 | 1551 | 1545 |
| # change | 18 | 37 | 19 | 40 | 38 | 29 | 31 | 70 | -6 |
| % change | 1.4% | 2.9% | 1.4% | 3.0% | 2.7% | 2.0% | 2.1% | 4.7% | -0.4% |

**BHS Enrollment Projection
2016/17-2024/25**



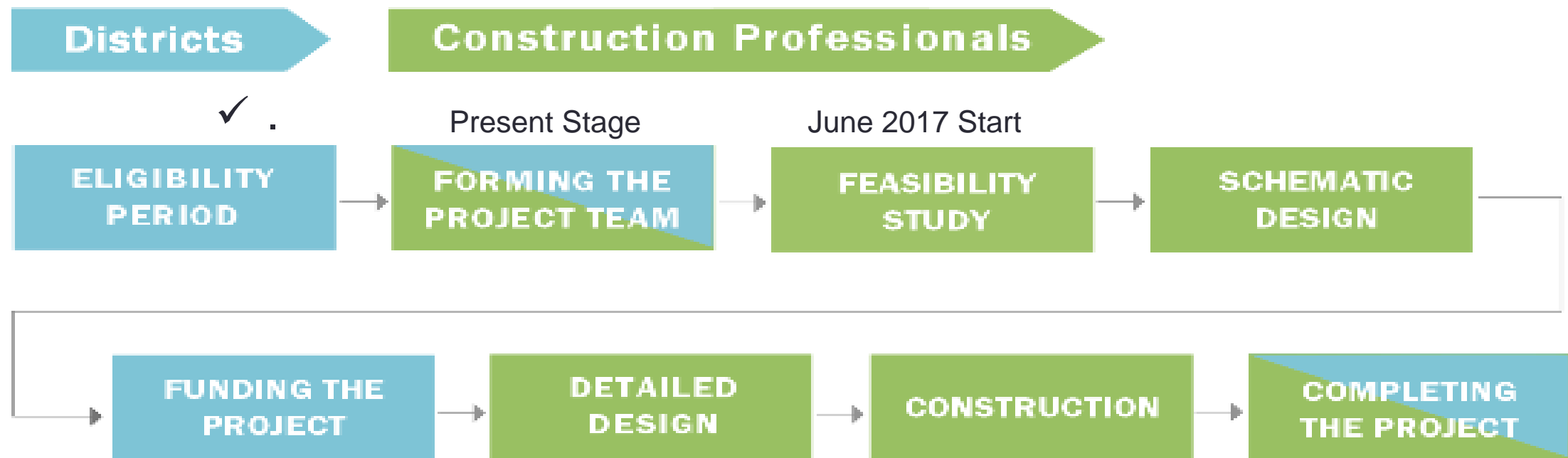
Data Source: McKibben Associates, October, 2016

2. Enrollment, Class Size and Space Issues

MSBA Building Process

MSBA Building Process

Steps primarily for:



2. Enrollment, Class Size and Space Issues Challenges

What is the long range plan?

- The Belmont High School Building Committee (BHS-BC) has three space configuration options as part of the MSBA proposal: (A. 7-12), (B. 8-12), (C. 9-12)
- Each options solves part or all of our space and enrollment needs.
- The Space Task Force is working in tandem with the BHS-BC to provide flexible space options for the elementary school level.

2. Enrollment, Class Size and Space Issues

BHS – BC/ MSBA: Grade Configurations

| MSBA Configuration Options | Elementary | Middle School | Notes |
|---|--|------------------------------|--|
| <u>9-12</u> * | <input type="checkbox"/> K-4 | <input type="checkbox"/> 5-8 | MS and Elementary enrollment / space issues not addressed. |
| <u>8-12</u> * 8/9...10-12 8... 9-12 | <input type="checkbox"/> K-4 | ✓ 5-7 | HS and MS levels would have space – Elementary level issues not addressed. |
| <u>7-12</u> * 7/8...9-12 | ✓ K-3 | ✓ 4-6 | All levels would be provided space to accommodate increased enrollment. |
| * MSBA / BHS-BC | <input type="checkbox"/> Space Issues Still to be Resolved by Town | | |

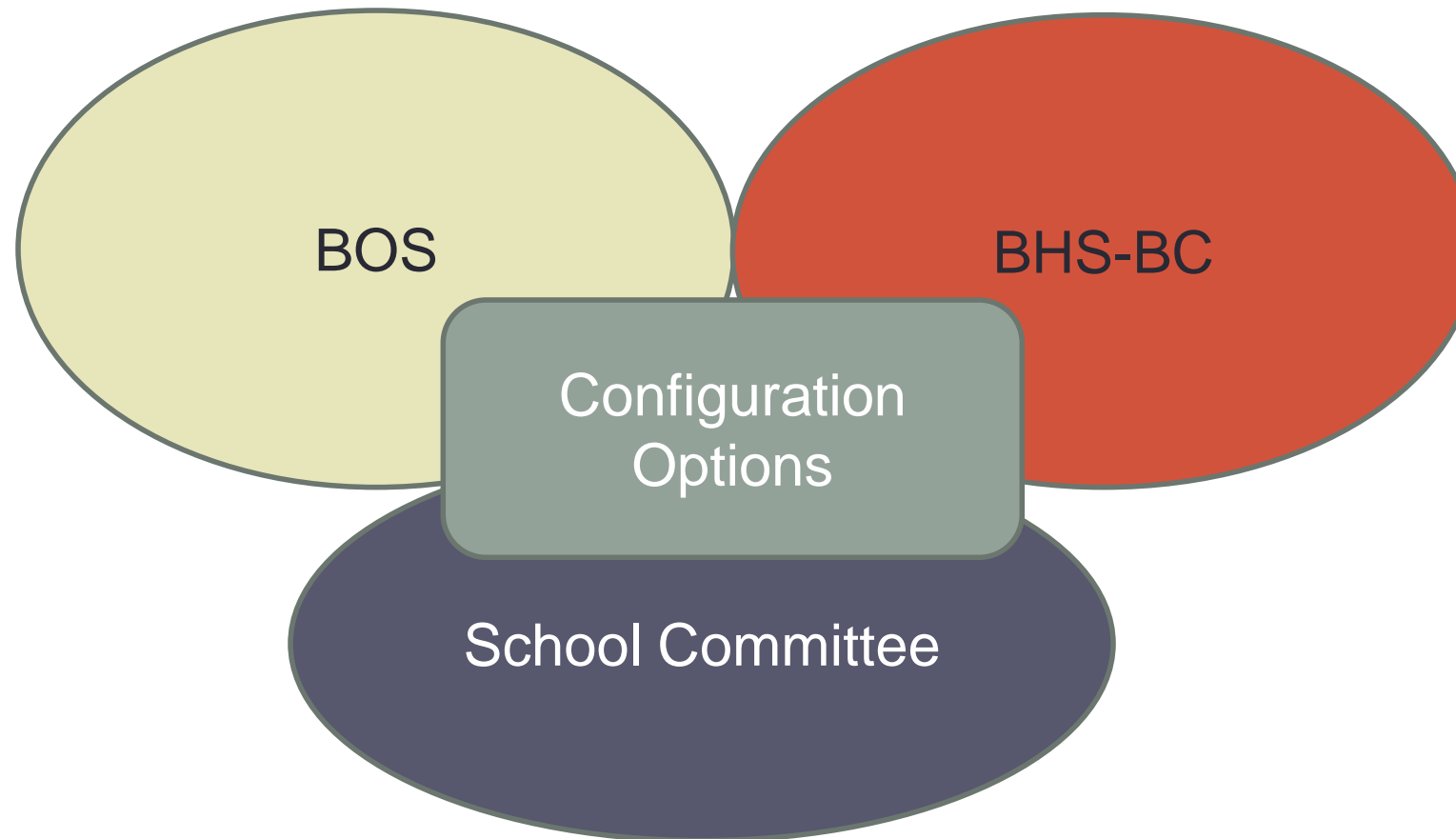
2. Enrollment, Class Size and Space Issues

BHS – BC/ MSBA: Education Facilitator

- The BHS-BC has enlisted the support of a Facilitator who specializes in supporting districts through the education visioning process when building a new school.
- The person has met with a small team of BPS educators and we are currently planning two “community” all day sessions and one “educator” session.
- These forums will generate discussion and answer questions on what the district vision of good “teaching and learning” is and how this work can be enhanced by new space.
- These forums will also outline careful separation and educational connections of each of the three grade configuration options.

2. Enrollment, Class Size and Space Issues Challenges

Decision and Roles on Configuration Options



Enrollment Budget Summary – Operating Budget

- 5 Positions in FY18 Budget will go directly to counter high enrollment and class size needs
 - 3 Elementary teacher positions to offset high class size
 - 1 Elementary math intervention teacher to support the needs of students in large classes
 - 0.6 High School FTE to provide programming to reduce the number of unscheduled students
 - 0.4 Middle School FTE to support Special Education programming
- Adding another regular education school bus, for the second year in a row (totaling 8), to accommodate increased enrollment, at all levels

Enrollment Budget Summary – Capital Budget

- To date BPS has increased classroom space by over 15 additional classrooms internally and with modular space over the last two years
- We now have 6 modular spaces at the Chenery and 6 modular spaces at Belmont High School
- The Space Task Force will be recommending to the Capital Budget Committee for consideration of 4 modular classrooms at the Elementary level

FY18 Budget Planning

3. Budget Planning

In planning for FY18 we focused on:

1. Implementing Year 3 of our three year fiscal plan from the Financial Task Force Budget.
 1. Utilizing the 5.0 FTEs to reduce class size, address enrollment and serving student instructional needs
 2. Addressing transportation issues related to increased enrollment
 3. Providing instructional materials and supplies to teachers and directors to support current and ever-increasing enrollment

3. Budget Planning (cont.)

2. Aligning our budget to the Strategic Plan

1. Providing professional development on prioritized initiatives, such as Social-Emotional Learning (SEL) and achievement gap
2. Continuing a budget model of supporting textbook, ebook, and instructional materials for each department/school, utilizing a centralized approach, based on district priorities
3. Instituting online registration for all students grades K-12 in order to
 1. Balance enrollment increases and class size issues
 2. Make the process more efficient for the district and for parents

3. Budget Planning (cont.)

3. Aligning our budget to the Strategic Plan (cont.)

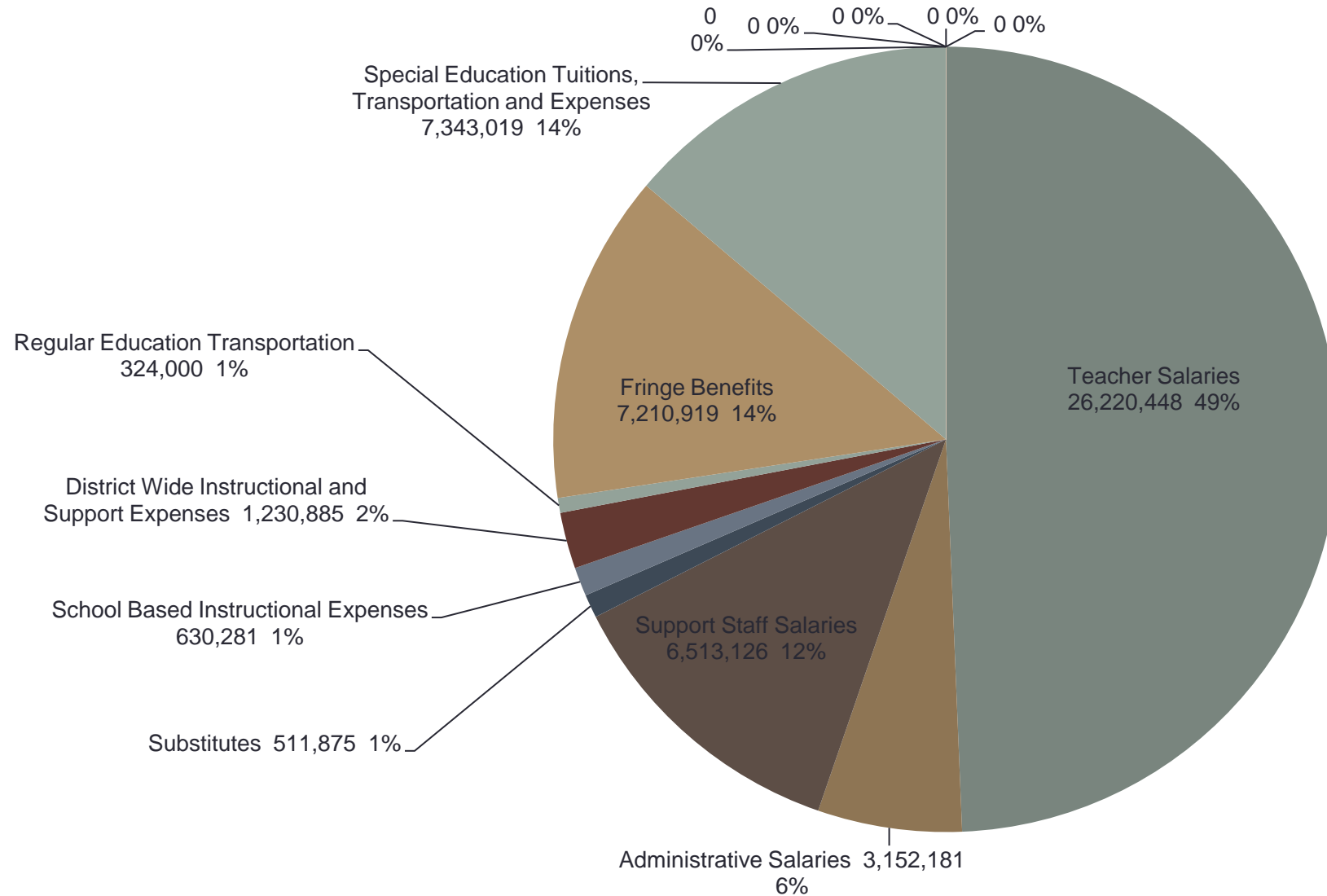
4. Supporting district technology needs for mandated testing and for student and classroom use
5. Allocating funds for incidental costs of increasing enrollment in areas such as texts, materials and supplies, student services supports and non-instructional staff, where we are at or over capacity

3. Budget Planning – Financial Highlights

1. The total General Fund School budget for FY18 is \$53,136,735, which is an increase of \$ 3,010,152, or 6% over FY17
2. The FY18 Budget includes:
 1. All FY17 positions, plus 5 additional teachers to address increasing enrollment
 2. Increase in health insurance premiums at 9% over FY17 rates
 3. Special Education contract services and transportation budgeted at 7% over FY17 budget (Task Force index factor)
 4. Special Education tuition General Fund budget is 3.5% over FY17 budget, with an additional 3.5% to be charged to FY17 State Circuit Breaker funds (one-time offset)
 5. One additional regular education school bus, for the second year in a row (bringing the total to 8 in FY18)
 6. Centralizing increases for texts, materials, supplies and professional development; and budgeting funds in district-wide accounts to allocate funds strategically, in line with district priorities

3. Budget Planning

FY18 General Fund Budget
Dollar Amount and % of Total by Category
Total Budget \$53,136,735



3. Budget Planning – Technical Assumptions

1. The budget includes all current positions plus the 5 FTEs included in the Three Year Fiscal Plan
2. Health Insurance will increase by 9%
3. Non-salary line items indexed by Task Force model, including 7% for Special Education tuitions, transportation and contract services
 1. Reduce out of district tuition line from 7% to 3.5% to support Town budget
 2. Remaining 3.5% for out of district increases to be offset by State Circuit Breaker funds received in FY17, as a one-time funding source

3. Budget Planning – Technical Assumptions (cont.)

4. Added one additional regular education bus for FY18 (totaling 8) to address increased enrollment-driven ridership
5. Capital funds will requested to support the acquisition of classroom furniture, technology and instructional materials as well as up to 6 modular classrooms at the elementary level to reduce class size
5. Federal grants indexed over FY17 for contractual increases for staff assigned
6. User fees will remain the same for FY18

3. Budget Planning – Primary Cost Drivers

1. Student enrollment

1. Increased has by approximately 100 students each year for the past 5 years
2. Enrollment is expected to increase by an estimated 100 students through FY20

2. Consistently increasing enrollment for multiple years has resulted in the need for:

1. Addition of professional and non-professional staff
2. Increase in supports for services for mandated costs (Special Education and ELL)
3. Maintain level of purchases texts/materials/supplies, technology, equipment, furniture
4. Additional transportation services for regular education and Special Education

3. Health insurance premiums increasing by 9% for FY18, for existing and new staff being added

3. Budget Planning - Three Year Fiscal Plan FTEs: Original

| Level | Year One (2015-2016) | Year Two (2016-2017) | Year Three (2017-2018) |
|-----------------|--|---|---|
| Elementary | 1.0 Grade 4 Teacher 1.0 Kindergarten Teacher 1.0 Grade 1 Teacher | 1.0 Grade 2 Teacher | 1.0 Grade 3 Teacher |
| Middle | 1.0 Grade 5 Teacher 1.0 Unified Arts Teacher | 1.0 Unified Arts Teacher 1.0 Guidance Counselor | |
| High | 3.0 FTEs for reduction of the non-engaged/non-scheduled students | 1.0 FTE for reduction of the non-engaged/non-scheduled students 1.0 Guidance Counselor | 1.0 FTE for reduction of the non-engaged/non-scheduled students |
| District-wide | 2.0 English Language Learner Teachers | | 1.0 Technology Staff 1.0 Instructional Technology Specialist 1.0 SEL Staff Person |
| Total FTE Count | 10.0 | 5.0 | 5.0 |

3. Budget Planning - Three Year Fiscal Plan FTEs: Updated

| Level | Year One (2015-2016) | Year Two (2016-2017) | Year Three (2017-2018) |
|-----------------|--|--|--|
| Elementary | 1.0 Grade 4 Teacher (1.0 Kindergarten Teacher) 1.0 Grade 1 Teacher | 1.0 Grade 2 Teacher 1.0 Kindergarten Teacher (from FY16) | 1.0 Grade 3 Teacher 4.0 Teachers |
| Middle | 1.0 Grade 5 Teacher 1.0 Guidance Counselor (from FY17) 1.0 Unified Arts Teacher | 1.0 Unified Arts Teacher (1.0 Guidance Counselor) moved to FY16 1.0 Special Education Teacher | 0.4 Special Education Teacher |
| High | 3.0 FTEs for reduction of the non-engaged/non-scheduled students | 1.0 FTE for reduction of the non-engaged/non-scheduled students 1.0 Guidance Counselor | 4.0 0.6 FTE for reduction of the non-engaged/non-scheduled students |
| District-wide | 2.0 English Language Learner Teachers | | 1.0 Technology Staff 1.0 Instructional Technology Specialist 1.0 SEL Staff Person |
| Total FTE Count | 10.0 | 5.0 | 5.0 |

Next Steps

1. This is a “Draft One” FY18 budget to be reviewed and considered by the School Committee.
2. There will be a presentation of the FY18 School Department budget to a joint meeting of the Board of Selectman and Warrant Committee on 2/13/17.
3. There will be further discussion on the FY18 Budget at upcoming Finance Sub Committee meetings and School Committee meetings.