

BELMONT PUBLIC SCHOOLS FY19 “DRAFT 1” BUDGET PRESENTATION

School Committee

February 27, 2018

FY19 Budget Process

1. **Using FY18 to Inform FY19**
 1. Context of Expenditures
 2. Context of Revenue
 3. Budget History and Current Status

2. **Recognition of Enrollment and Class Size Issues**
 1. Overall Enrollment Trend
 2. Enrollment Subcategories
 3. Enrollment and Class Size by Level

3. **FY19 Budget Planning**
 1. Fiscal Planning
 2. Aligning to Strategic Plan
 3. Budget Objectives
 4. Cost Drivers
 5. Financial Highlights
 6. Technical Budget Assumptions

Using FY18 to Inform FY19

1. Using FY18 to Inform FY19 – Per Pupil Spending

Context of Expenditures

In FY18 we:

- Negotiated MOU's with all 5 unions that were within the Financial Task Force models.
- Are monitoring our FY18 Q2 to ensure a balanced budget in June.
- Are monitoring our Special Education budget lines to ensure our funding is in line with our 3-year Special Education funding guidelines and goals.
- Using our Zero Based budget meetings with our Leadership Council to guide our strategic plan.

*Note – that absent external pressures of FY19 budget request is 3.7%.

1. Using FY18 to Inform FY19 – Per Pupil Spending

- Review of per pupil spending report by the Department of Elementary and Secondary Learning (DESE) from FY11-FY16 (the most recent year available)
- Cohort districts include:
 - Comparable districts
 - Neighboring communities
- Listing of districts:

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 FY18 to Inform FY19 – 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 24th, 25th or 26th in per pupil spending among 27 cohort districts from FY11-FY16

PER PUPIL SPENDING: BELMONT VS STATE AVERAGE AND COHORT DISTRICTS FY11-FY16 (1 of 3)

	DISTRICT	FY11 \$	FY11 RANK	FY12 \$	FY12 RANK	FY13 \$	FY13 RANK	FY14 \$	FY14 RANK	FY15 \$	FY15 RANK	FY16 \$	FY16 RANK
1	Cambridge	26,305	1	27,018	1	27,474	1	27,163	1	27,569	1	28,399	1
2	Concord-Carlisle	20,066	2	20,525	2	20,751	2	20,446	4	20,760	4	21,585	4
3	Waltham	19,741	3	18,899	4	18,866	6	19,502	5	19,940	6	20,242	6
4	Weston	19,352	4	19,915	3	20,579	3	21,653	2	22,768	3	23,899	2
5	Dover	17,607	5	18,313	5	19,323	4	21,336	3	24,263	2	23,233	3
6	Bedford	16,963	6	16,600	9	16,993	11	17,226	13	17,839	13	18,120	14
7	Concord	16,637	7	16,893	6	16,098	16	16,457	15	17,517	16	19,169	8
8	Brookline	16,556	8	16,626	8	16,924	12	17,291	12	17,652	14	18,866	11
9	Lexington	16,552	9	16,726	7	16,821	13	17,496	10	17,867	12	18,069	15
10	Dover-Sherborn	16,495	10	16,434	11	17,123	10	17,650	8	18,673	9	18,999	10
11	Newton	16,397	11	16,400	12	17,141	9	17,581	9	18,096	11	18,779	12
12	Watertown	16,008	12	16,493	10	17,279	7	17,292	11	20,134	5	20,801	5
13	Wellesley	15,421	13	15,085	16	17,232	8	17,108	14	18,289	10	18,636	13
14	Wayland	15,156	14	15,902	13	16,177	15	16,445	16	17,650	15	17,426	16
15	Sherborn	15,129	15	15,720	15	19,317	5	18,378	6	19,534	7	19,135	9

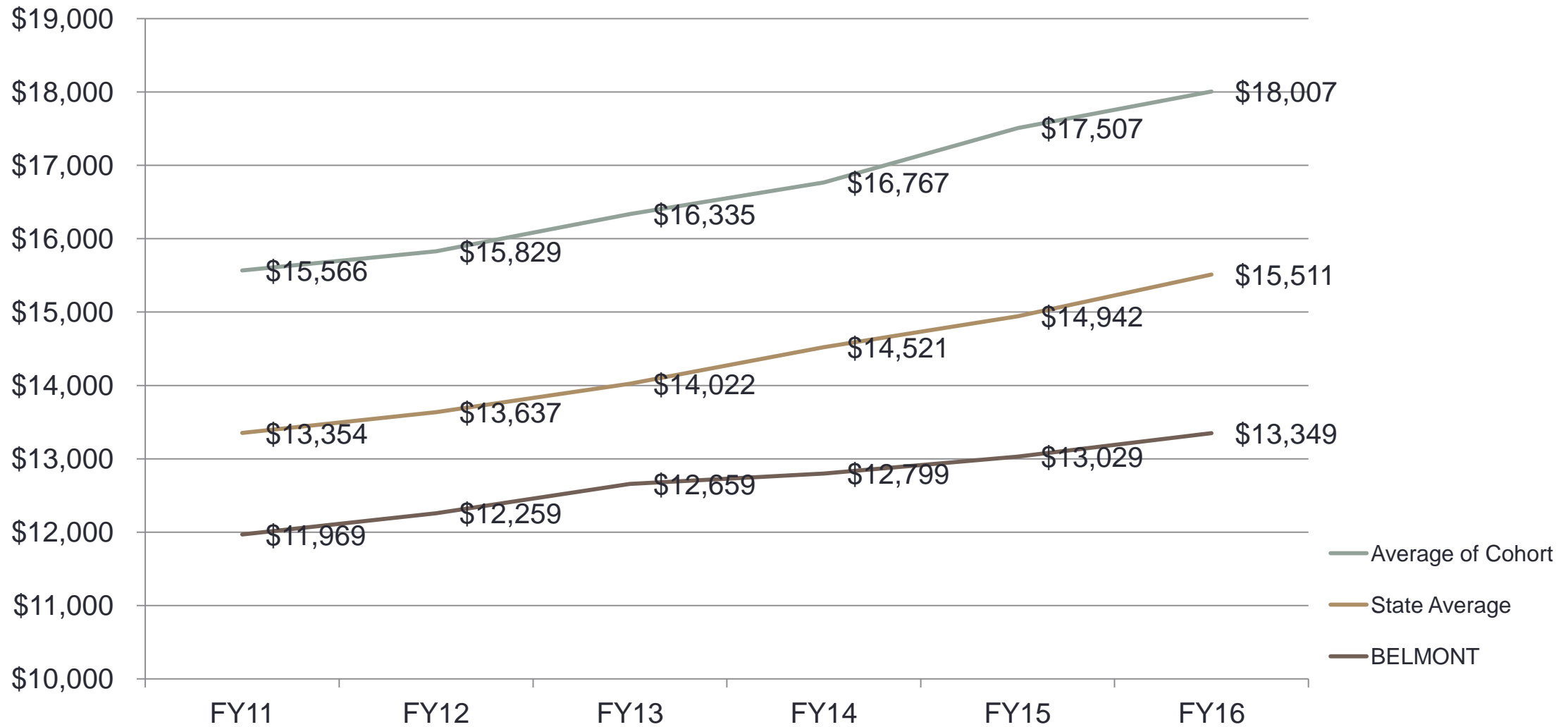
PER PUPIL SPENDING: BELMONT VS STATE AVERAGE AND COHORT DISTRICTS FY11-FY16 (2 of 3)

	DISTRICT	FY11 \$	FY11 RANK	FY12 \$	FY12 RANK	FY13 \$	FY13 RANK	FY14 \$	FY14 RANK	FY15 \$	FY15 RANK	FY16 \$	FY16 RANK
16	Burlington	15,008	16	15,893	14	16,643	14	17,700	7	19,238	8	19,866	7
17	Sharon	14,096	17	14,527	18	14,659	18	15,021	18	15,401	18	15,416	19
18	Westborough	14,007	18	14,545	17	14,306	19	14,736	20	14,813	19	15,548	18
19	Westwood	13,999	19	14,197	19	14,827	17	15,337	17	15,833	17	16,713	17
20	Acton-Boxborough	13,182	20	13,697	20	13,962	20	14,937	19	14,016	22	14,745	21
21	Arlington	12,942	21	12,603	24	12,546	25	13,085	24	13,290	24	13,984	24
22	Marblehead	12,727	22	12,998	21	12,706	23	13,218	23	13,678	23	14,710	22
23	Milton	12,613	23	12,816	23	12,992	22	13,499	22	14,116	21	14,388	23
24	Sudbury	12,359	24	12,899	22	13,426	21	14,246	21	14,797	20	15,268	20
25	BELMONT	11,969	25	12,259	25	12,659	24	12,799	25	13,029	26	13,349	26
26	Winchester	11,822	26	11,954	26	12,380	26	12,579	26	12,801	27	13,312	27
27	Westford	11,179	27	11,449	27	11,838	27	12,529	27	13,118	25	13,528	25

PER PUPIL SPENDING: BELMONT VS STATE AVERAGE AND COHORT DISTRICTS FY11-FY16 (3 of 3)

DISTRICT	FY11 \$	FY12 \$	FY13 \$	FY14 \$	FY15 \$	FY16 \$
State Average	13,354	13,637	14,022	14,521	14,942	15,511
BELMONT	11,969	12,259	12,659	12,799	13,029	13,349
State Ave vs.. BELMONT	1,385	1,378	1,363	1,722	1,914	2,162
% Below State Average	11.6%	11.2%	10.8%	13.5%	14.7%	16.2%
Average of Cohort	15,566	15,829	16,335	16,767	17,507	18,007
BELMONT	11,969	12,259	12,659	12,799	13,029	13,349
Cohort Ave vs. BELMONT	3,597	3,570	3,676	3,968	4,478	4,658
% Below Cohort Average	30.1%	29.1%	29.0%	31.0%	34.4%	34.9%

PER PUPIL SPENDING: BELMONT VS STATE AVERAGE AND COHORT DISTRICTS FY11-FY16



Data Sources: <http://www.doe.mass.edu/finance/statistics/ppx15.html>
<http://www.doe.mass.edu/finance/statistics/ppx12-16.html>

1. Using FY18 to Inform FY19 (cont.)

1. District benefited enormously by the Spring 2015 Override funds in FY16, FY17 and FY18:
 1. Additional positions have been added to address increasing student enrollment
 2. Infusion for mandated Student Services costs –Special Education Transportation and Out of District Tuition, and Contracted Services
 3. Principals and directors are now able to expend budgeted funds without any mandated “freezes” – first time in over 6 years
 4. FY16 became a new baseline for expenditures of texts, materials & supplies, professional development, and other operational costs

1. Using FY18 to Inform FY19 (cont.)

5. The FY17 & FY18 budgets have been managed well in the aggregate
6. FY18 operations are on track to meet existing needs within the budget
7. Continued external pressure points inform the FY19 Budget:
 - Increased enrollment
 - Increased class size
 - Space needs
 - Health Insurance
 - Custodial OT & Substitute Teachers

2. Recognition of Enrollment and Class Size Issues

2. Enrollment, Class Size and Space Issues

Enrollment – District Wide

Aggregate Increase over 6 Year Period & Projection over the next 2 Year Period

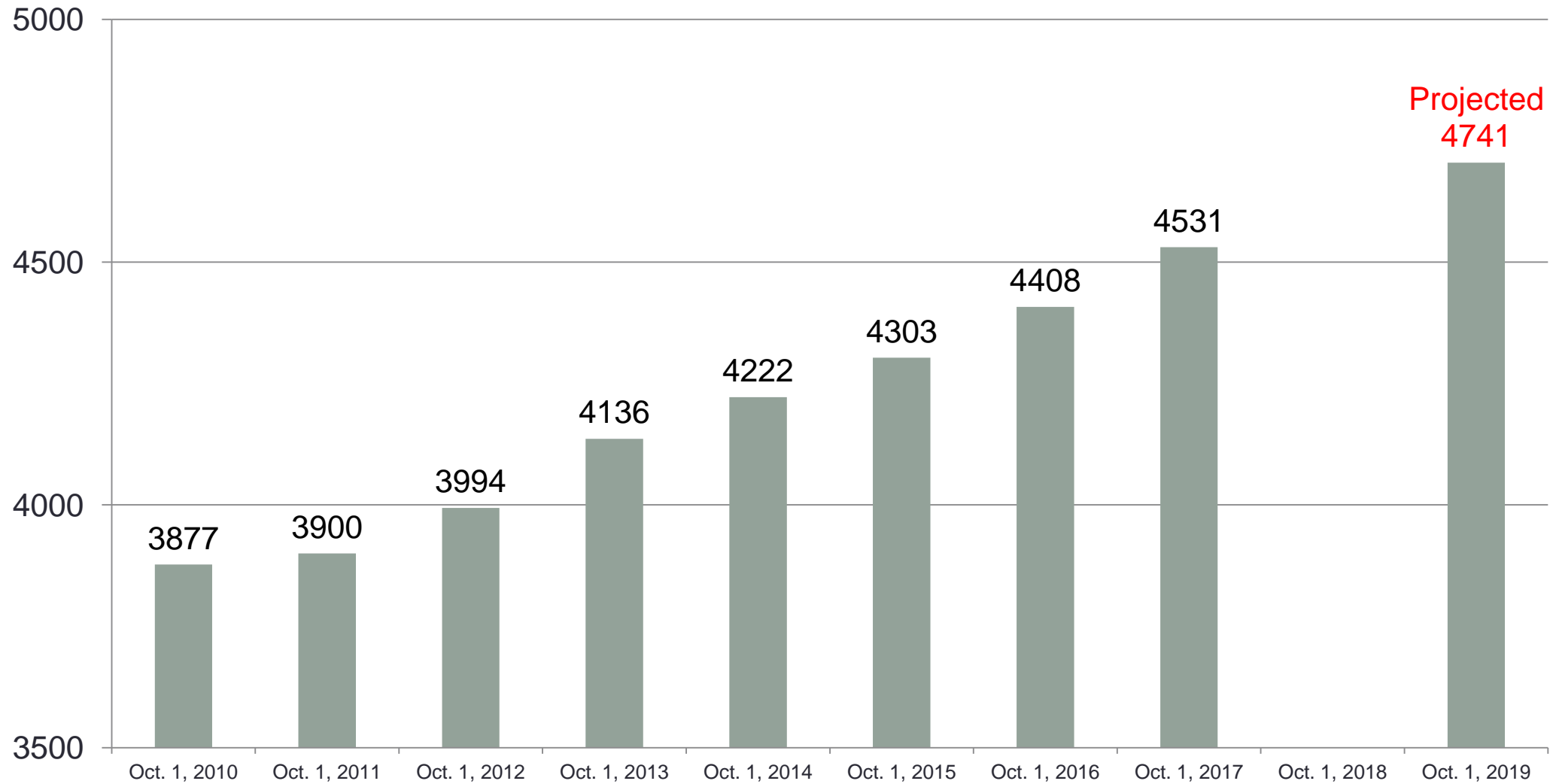
	Oct. 1, 2011	Oct. 1, 2012	Oct. 1, 2013	Oct. 1, 2014	Oct. 1, 2015	Oct. 1 2016	Oct. 1 2017	Oct. 1, 2019
BPS K-12 Enrollment	3900	3994	4136	4222	4303	4408	4531	**4741
		94	142	86	81	105	123	
			<i>Increase, 2011 to 2017:</i>				631	

The average six year increase is 105 students per year which gives the current projection of 4,741 by October 2019. This projection includes the impact of new housing (present and future), the Belmont Royal Apartments (still coming on line) and the Cushing Village apartments.

BPS enrollment of all students (including PreK and OOD) = 4,703

BPS K-12 Enrollment

From October 1, 2010 to October 1, 2017



Current Enrollment Implications

School Level

BHS

6 modular classrooms

CMS

6 modular classrooms

Elementary

- Burbank, Butler, and Winn Brook reallocated space to accommodate 3 additional classes
- 4 modular classrooms will be added to Burbank, 2018/19

District Wide

- Three elementary teachers were added, grades K, 1, and 4 in the 2017/18 SY.
- One additional bus was added, bringing the total fleet to 8 in the 2017/18 SY.
- Mandated services increased. We added one special educator to CMS and another ESL teacher to service our elementary children in the 2017/18 SY.
- Additional (partial) art, music, PE, nursing, and guidance FTE were added due to increased enrollment.
- The average YOG cohort size is **349**. The range is **303 → 388**.

Enrollment by Level (Oct. 1)

	2016-17 Enrollment as of October 1, 2016	2017-18 Enrollment as of October 1, 2017	Difference
Elementary	1,785	1,812	27
Middle	1,359	1,421	62
High	1,264	1,298	34
Totals	4,408	4,531	123

Elementary Enrollment (Oct. 1)

2016-2017

Kindergarten	350
Grade 1	329
Grade 2	391
Grade 3	365
Grade 4	350
Total	1,785

2017-2018

320
373
348
388
383
1,812

Elementary Class Sizes

Guidelines	# of classes within guidelines	# of classes that exceed guidelines	% above guidelines by grade
K (18-22)	14	2	13%
1 (19-23)	7	9	56%
2 (19-23)	9	6	40%
3 (20-24)	10	7	41%
4 (20-24)	12	4	25%

- 2016-17, 42% of K-4 classes (32 of 77) exceeded the class size guidelines.
- 2017-18, 35% of K-4 classes (28 of 80) exceed the class size guidelines.

CMS Enrollment (Oct. 1)

	<u>2016-2017</u>	<u>2017-2018</u>
Grade 5	348	371
Grade 6	342	361
Grade 7	343	343
Grade 8	326	346
Total	1,359	1,421

CMS: ELA, Foreign Language, Math, Reading, Science, Social Studies

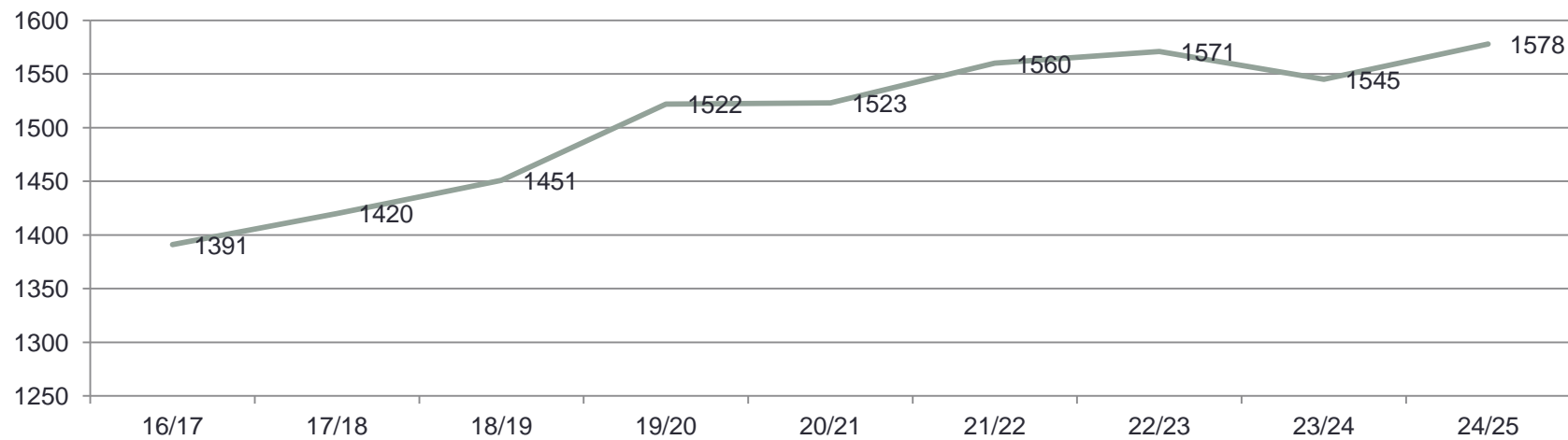
	Guidelines	2016-17 Range	2017-18 Range	2017-18 # of sections	# of sections above guidelines
Grade 5	20-24	21-26	19-28	57	49
Grade 6	22-26	13-29	17-29	82	9
Grade 7	22-26	15-30	14-28	73	8
Grade 8	22-26	13-29	12-29	73	8

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

BHS Enrollment (Oct. 1)

	<u>2016-2017</u>	<u>2017-2018</u>
Grade 9	330	332
Grade 10	311	333
Grade 11	333	303
Grade 12	290	330
Total	1,264	1,298

BHS Class Size Summary

Number of classes by enrollment

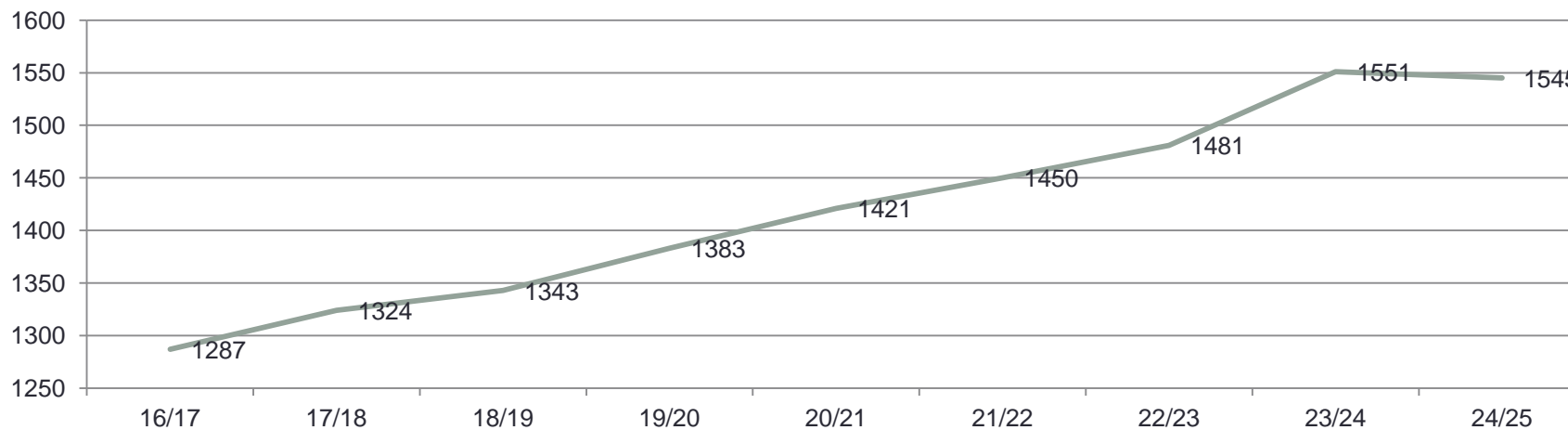
	2016-2017	2017-2018	2017-2018 % of total
Classes with ≤ 15 students or less	27	22	5%
Classes with 16-20 students	79	81	21%
Classes with 21-26 students	200	182	47%
Classes with 27-30 students	67	84	22%
Classes with > 30 students	6	10	3%
Performance classes with > 30 students	6	7	2%
Total classes at BHS	385	386	

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

Student Services Enrollment

Two sub categories of students that we monitor for an increase in enrollment are:

1. *Students who are non- English speaking (ELs)*
2. *Students on IEPs who receive their services through out of district schools (OOD)*

EL Population Increase K-12

From Oct. 1, 2010 to Oct. 1, 2017

Date	Total EL Population	Change from Previous Year	% Change
Oct. 1, 2010	118		
Oct. 1, 2011	114	-4	-3%
Oct. 1, 2012	117	3	3%
Oct. 1, 2013	180	63	54%
Oct. 1, 2014	233	53	29%
Oct. 1, 2015	261	28	12%
Oct. 1, 2016	281	20	8%
Oct. 1, 2017	340	59	21%

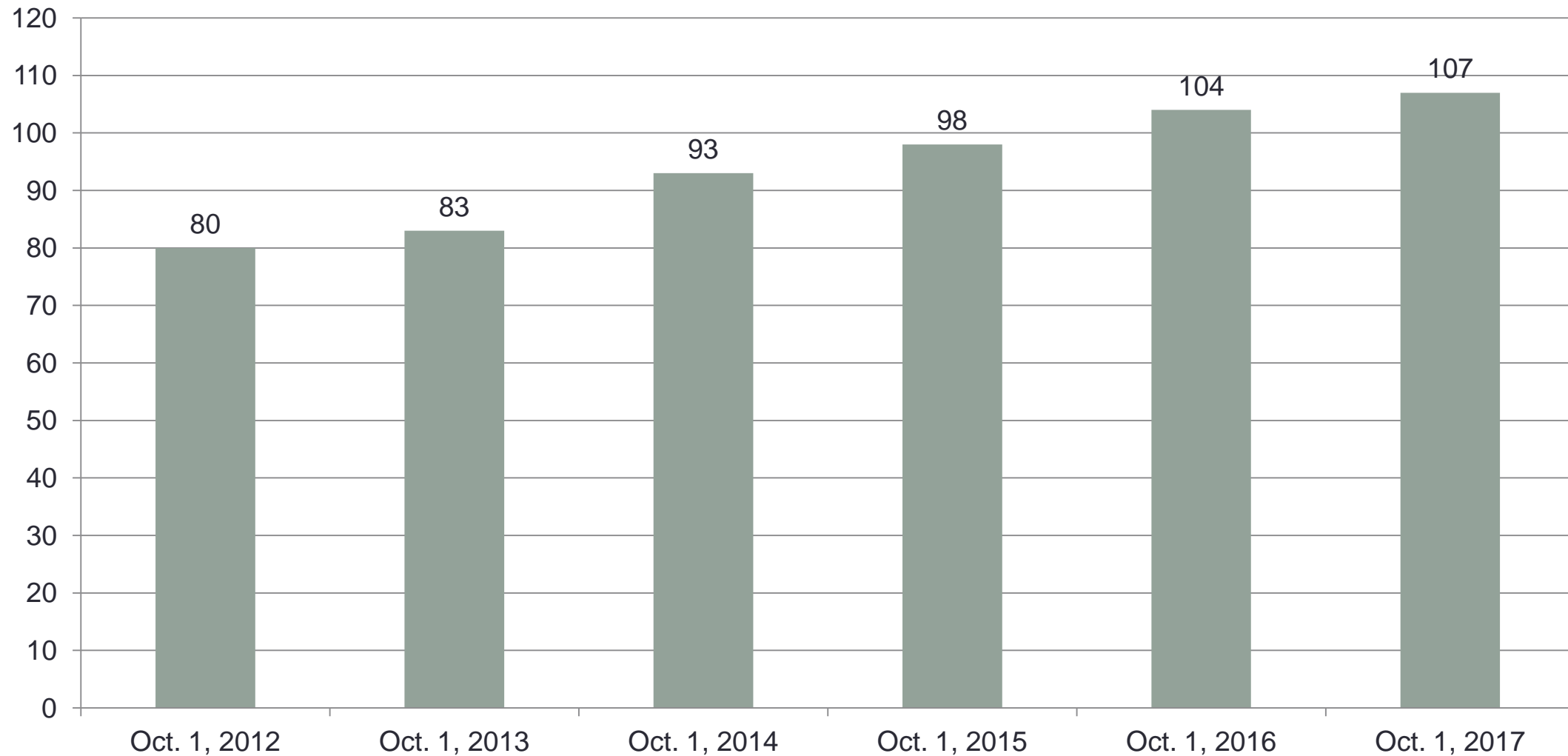
EL Population as a Percent of Total Enrollment K-12 From Oct. 1, 2010 to Oct. 1, 2017

Date	Total Enrollment	Total EL Population	% of Total
Oct. 1, 2010	3877	118	3.0%
Oct. 1, 2011	3900	114	2.9%
Oct. 1, 2012	3994	117	2.9%
Oct. 1, 2013	4136	180	4.4%
Oct. 1, 2014	4222	233	5.5%
Oct. 1, 2015	4303	261	6.1%
Oct. 1, 2016	4408	281	6.4%
Oct. 1, 2017	4531	340	7.5%

Out of District Students

1. Current Enrollment (September and October)
2. 2016-17 Monthly Enrollment
3. Six Year Historical Trend

Belmont Public Schools OOD Student Placements From Oct. 1, 2012 to Oct. 1, 2017



3. FY19 Budget Planning

1. Planning with Financial Task Force
2. Align budget to support Strategic Plan
3. FY19 Budget Objectives
4. Primary Cost Drivers
5. Financial Highlights

3. Budget Planning

In planning for FY19 we focused on:

1. Continuing the fiscal planning work incorporated in the Financial Task Force Budget process from FY16-FY18.
 1. Planning for average student enrollment by grade of 360 students per grade for all grades K-12 by incrementally increasing:
 1. Staffing and professional development
 2. Texts, materials, supplies, furniture, equipment, technology
 2. Indexing costs for regular operations, including external cost drivers (such as health insurance rates and Special Education costs)

3. Budget Planning (cont.)

2. Aligning our budget to the Strategic Plan

1. To continue the district-wide professional development for staff on Social Emotional Learning, to support the outcomes of the Achievement Gap Task Force
2. Continuation of the Three Year Budget Plan of the Financial Task Force Committee's work in budgeting to address class size issues, to engage students in educationally beneficial programming
3. Continued review of class sizes and control of elementary assignments with planning for projected enrollment increases
4. To increase teaching and learning spaces throughout the district by implementing the recommendations of the Space Task Force

3. Budget Planning (cont.)

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

5. Continue to monitor and analyze the deployment of Student Services funding in the FY19 budget to address mandated costs
6. Continuation of iPad instructional models (1:1 for all students in grades 9, 10,11, and 12 at BHS)
7. Professional development focus areas preK-12: curriculum and assessment development and review
8. Development of a prioritized three year plan for textbook (and ebook) adoption in all curriculum areas

3. Budget Planning (cont.)

3. FY19 Budget Objectives

1. Maintain rigorous and high quality of instruction and student engagement for all students
2. Maintain the staffing levels commensurate to the increase in enrollment needed to maintain the existing quality of educational services to our students
3. Maintain the well-rounded education comprised of rigorous academics, strong performing arts, high participation in athletics, extra-curricular experiences, and community service
4. Meet existing contractual commitments
5. Maintain and support the continuous improvement of our staff through professional development
6. Address increasing class sizes and program offerings

3. Budget Planning (cont.)

4. Primary Cost Drivers

1. Strategic Plan Based Cost Drivers (SPCDs)

1. Student Enrollment has increased by approximately 100 students each year for the past 5 years
2. Student Enrollment is expected to increase by an estimated 100 students through FY20
3. 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 English Language Learners)
 3. Maintain level of purchases texts/materials/supplies, technology, equipment, furniture

2. External Cost Drivers (ECDs)

1. Health insurance premiums increasing by 11% for FY19, for existing and new staff being added
2. Special Education tuitions, transportation and contracted services budgeted to rise 7% in accordance with Task Force model

3. Budget Planning (cont.)

5. Financial Highlights

The FY19 School Department Budget includes:

1. Amounts rolled-forward from our existing operations, plus
2. Additional necessary costs to address strategic plan (SPCDs) goals (primarily continued, sustained increasing enrollment), and
3. Additional necessary costs for external cost drivers (ECDs) (i.e. Town-wide health insurance rates and Special Education costs)

3. Budget Planning (cont.)

5. Financial Highlights (cont.)

Roll-forward amounts – 3.7% increase over the FY18 Budget

	FY18 Budget	FY19 Roll-Forward Budget	Change	% Change
Existing staff and contractual increases	35,225,756	36,645,564	1,419,808	4.00%
Stipends for staff & curriculum development; custodial overtime; substitutes – Increase based on historical costs	1,210,875	1,556,959	346,084	28.60%
Health insurance - covering unanticipated enrollments in FY18	6,294,282	6,516,791	222,509	3.50%
Other Employee Benefits - Decrease based on historical costs	916,637	902,008	-14,629	-1.60%
Special Educ. Tuitions	4,778,593	4,778,593	-	0.00%
Special Educ - Transp.	1,207,470	1,207,470	-	0.00%
Special Educ - Contr. Svcs.	1,115,705	1,115,705	-	0.00%
Dept. Operating Expenses	2,006,491	2,006,491	-	0.00%
Equipment	213,675	213,675	-	0.00%
FY19 General Fund Roll-Forward Amounts Only	52,969,484	54,943,256	1,973,772	3.70%

3. Budget Planning (cont.)

5. Financial Highlights (cont.)

Strategic plan-based costs drivers (SPCDs)– Additional 1.6% increase over the FY18

Budget

	FY19 Budget
<u>SPCD1</u> Positions/enrollment - 9.0 FTEs -1.00 Elementary Classroom Teacher. -0.10 Elementary Physical Education Teacher -0.60 Elementary Art Teacher -0.60 Elementary Special Education Teacher -0.20 Elementary Music Teacher -2.00 Middle School Classroom Teachers -1.00 Middle School Administrator -2.50 High School Teachers -1.00 District-Wide English Language Learner Teacher	613,214
<u>SPCD2</u> Health insurance for new positions	90,000
<u>SPCD3</u> Texts, materials, supplies - Increase due to enrollment; and reflecting greater reliance on annual appropriation instead of donations	109,326
<u>SPCD4</u> Equipment and replacement furniture	15,826
Total Strategic Plan-Based Cost Drivers (SPCDs)	828,366

3. Budget Planning (cont.)

5. Financial Highlights (cont.)

External cost drivers (ECDs) – Additional 2.3% increase over the FY18 Budget

	FY19 Budget
<u>ECD1</u> Health insurance rate increase for all Town Departments - 11%	716,846
<u>ECD2.2</u> Special Educ. Tuitions - 7% using Town Financial Task Force model	334,502
<u>ECD2.3</u> Special Educ - Transp. - 7% using Town Financial Task Force model	84,523
<u>ECD2.4</u> Special Educ - Contr. Svcs. - 7% using Town Financial Task Force model	78,099
Total Costs from Other Cost Drivers	1,213,970

Total Additional Costs from Cost Drivers - Additional 3.9% increase over the FY18 Budget	2,042,336
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3. Budget Planning (cont.)

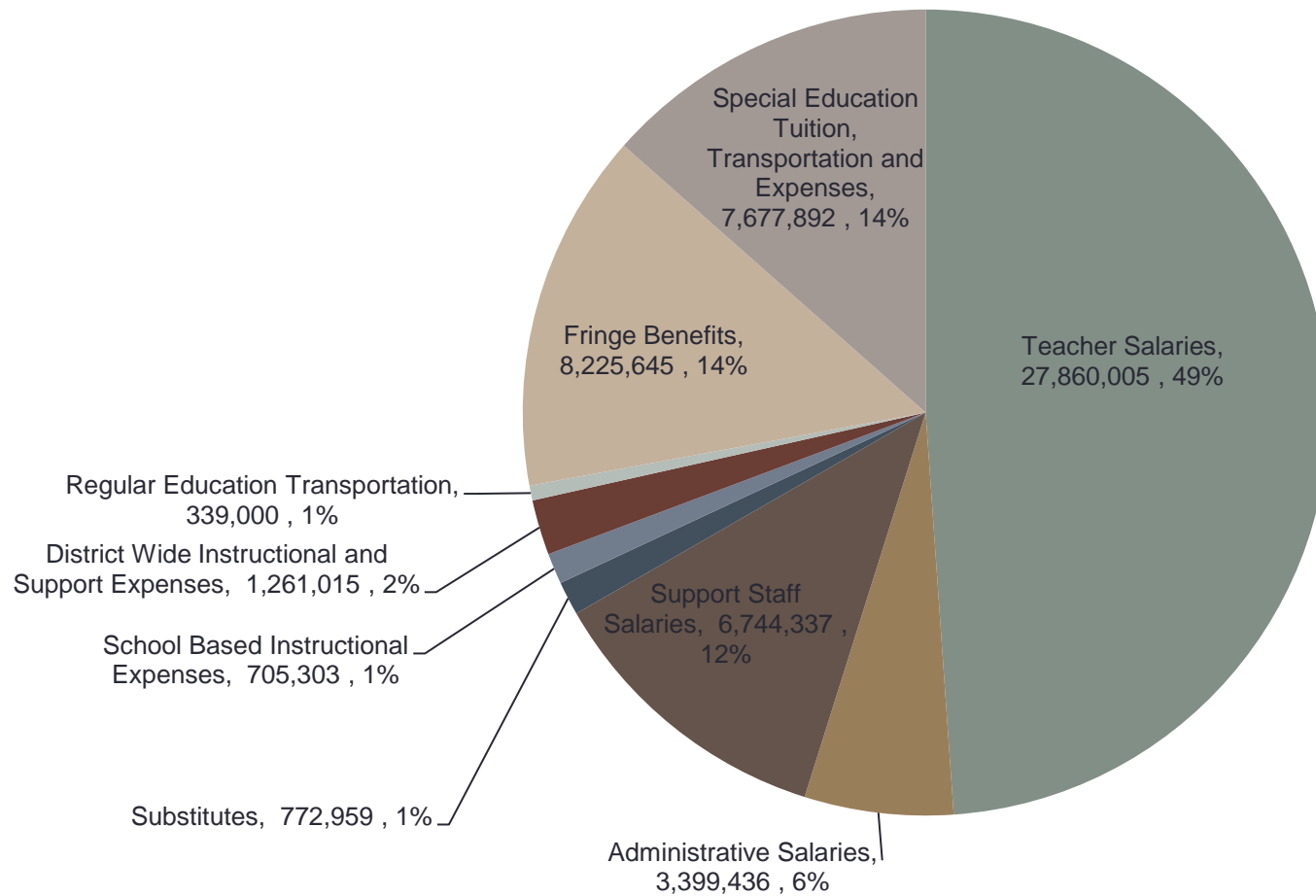
5. Financial Highlights (cont.)

FY19 Total General Fund Budget: Roll-forward amounts plus strategic-plan cost drivers and other cost drivers – 7.6% increase over FY18 Budget

	FY18 Budget	FY19 Roll-Forward Budget	Strategic Plan Cost Drivers	External Cost Drivers	Total FY19 General Fund Budget	Change FY18 to FY19	% Change
Existing staff and contractual increases	35,225,756	36,645,564	613,214		37,258,778	2,033,022	5.8%
Stipends for staff & curriculum development; custodial overtime; substitutes	1,210,875	1,556,959			1,556,959	346,084	28.6%
Health insurance - covering unanticipated enrollments in FY18	6,294,282	6,516,791	90,000	716,846	7,323,637	1,029,355	16.4%
Other Employee Benefits - Decrease based on historical costs	916,637	902,008			902,008	(14,629)	-1.6%
Special Educ. Tuitions	4,778,593	4,778,593		334,502	5,113,095	334,502	7.0%
Special Educ - Transp.	1,207,470	1,207,470		84,523	1,291,993	84,523	7.0%
Special Educ - Contr. Svcs.	1,115,705	1,115,705		78,099	1,193,804	78,099	7.0%
Dept. Operating Expenses (incl. texts/mat/sup)	2,006,491	2,006,491	109,326		2,115,817	109,326	5.4%
Equipment	213,675	213,675	15,826		229,501	15,826	7.4%
Total FY19 General Fund Budget	52,969,484	54,943,256	828,366	1,213,970	56,985,592	4,016,108	7.6%
% Change over FY18 Budget		3.7%	1.6%	2.3%	7.6%		

3. Budget Planning (cont.)

FY19 General Fund Budget
Dollar Amount and % of Total by Category
Total General Fund Budget of \$56,985,592



3. Budget Planning (cont.)

6. Technical Budget Assumptions

1. School General Fund Budget for FY19 is \$56,985,592
2. Roll forward all existing positions; and add 9.0 FTEs as provided to address continued increasing enrollment
3. Health insurance premiums are budgeted to increase by 11% over FY18 rates (Town-wide)
4. Special Education out-of-district tuition, transportation and contracted services budgeted at FTF model index factor of 7% over the FY18 General Fund Budget
5. Federal grants budgeted in FY19 as level funded from FY18 plus contractual increases for staff allocated to grants
6. User fees will remain the same for FY19

3. Budget Planning (cont.)

6. Technical Budget Assumptions (cont.)

7. State Circuit Breaker allocations will continue to be used strategically, in accordance with the School Department's multi-year plan.
8. Full Day Kindergarten revolving funds will continue to offset a portion of Kindergarten teacher and aide salaries.
9. School Building Rental revolving funds will continue to be utilized to support the maintenance and repairs of school facilities

Next Steps

1. This is a “Draft One” FY19 budget to be reviewed and considered by the School Committee.
2. A preliminary presentation was provided to the Finance Subcommittee of the School Committee and the Education Subcommittee of the Warrant Committee on 2/15/18.
3. A full presentation will be provided to the School Committee on 2/27/18.
4. There will be further discussion on the FY19 Budget at upcoming Finance Sub Committee meetings and School Committee meetings.