

Belmont Public Schools

FY 2014 Budget Request

February 12, 2013

Where a public service organization, such as a school system, places its resources reveals the priorities of that system. The Belmont Public School District reserves the greatest portion of its budget to provide professional educators for the academic, social, and emotional development of the youth of Belmont. In addition to funds reserved to hire, retain, and develop excellent professionals, the district's budget proposal for Fiscal year 2014 strives to honor the system's strategic goal of preparing Belmont students for college, career, and life-long learning. The third principle undergirding the district's fiscal priorities is support for continuous improvement that embraces innovative practices for overall programmatic and fiscal stability.

The budget is a means, not a mere end in itself. For a school system, the end is provision of a free and appropriate education for any and all children and young adults within the community. The communal aspirations of the district are summarized in its vision statement:

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.

The district's motto—"Learn, Think, Create, Serve"—predicts that all students will

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

Belmont as a town historically honors education and enjoys the reputation of being one of the highest performing public school districts in the state. The Commonwealth of Massachusetts enjoys the reputation of having one of the top performing systems of schools in the nation. In Belmont, though, there is a strong, dynamic, and historical tension between the local educational vision and the fiscal resources to support it. Although the average per pupil expenditure in Belmont is well below the state average, the average per citizen tax burden is well above the state average: hence, the tension. To accommodate that tension, the school system has instituted fees for non-mandated extracurricular activities such as sports, clubs, the fine and performing arts, and various kinds of other special activities. The onus for budget-makers is to make most effective use not only of the appropriated local, state, and federal public funds, but as well from discretionary fees and from independent grants from such sources as the Foundation for Belmont Education and the respective school parent organizations. The school department's proposed budget for Fiscal Year 2014 continues to recognize these factors and also aims to sustain the reputation and services for which the town is well known.

The Belmont School Committee in February 2012 established three long-term goals that have informed the district's strategic planning. The new strategy emerges from the prior plan encompassing six broad goals that concluded in October 2012. The current goals emerge from three broad assumptions that correspond to the ongoing priorities and initiatives to be sustained in the forthcoming fiscal year and beyond. All three assumptions address directly the district's commitment to continuous improvement of the quality of the instructional core—the value of curricular content; the appointment and

development of the district's professionals; and the academic, emotional, and social development of students.

ASSUMPTION #1:

Theory of Action: If the administrators, teachers, and governors of the Belmont Public Schools engage in systematic long-term strategic planning, then the resources, goals, and objectives that emerge will support continuous improvement and overall programmatic and fiscal stability within the system.

ASSUMPTION #2

Theory of Action: If the Belmont Public School District hires well-prepared and diverse professionals, sustains continuous professional development by means of clear and coherent plans, and implements a successful educator evaluation system in line with new state standards, then students will receive instruction from consistently highly qualified educators who pursue the continuous improvement of their art.

ASSUMPTION #3

Theory of Action: If the Belmont Public School District ensures continuity of the curriculum and compliance with state requirements, strives for higher standards in accord with community expectations, provides support for educators to experiment and innovate, and articulates clearly its instructional models, then students will be well-prepared for college and career.

These three assumptions, constructed as theories of action, all serve to fulfill the articulated mission of the Belmont School Committee:

With a commitment to teaching and learning, the Belmont Public Schools strive to nurture the intellectual, social, and personal development of each student and to create a dynamic community of lifelong learners who contribute to the common good and are of service to others.

In light of the district principles and priorities, the Belmont School Committee respectfully presents to the citizens of Belmont a balanced budget proposal based upon estimated available funds as of February 12, 2013. The available funds budget does require substantial service cuts as well as a sacrifice of 7.75 professional positions. At

this time we are not proposing specific positions to be cut but rather a distribution of positions that would be absorbed through retirements and non-renewals at an average savings to the district of about \$55,000 per position.

The School Department also wishes to present for the general information of the Town's citizens a gross projection of expenditures the Committee believes would provide a true level of services comparable to those offered students currently during the 2012-2013 school year. Such a projection requires the addition of six positions beyond FY 13 staffing levels to meet a substantially increasing student population and to provide a long-awaited elementary mathematics program.

A third projection represents a "roll-over" budget that would maintain the same number of staff positions as exist during the 2012-2013 school year but adds no additional materials or programming.

In the 2012-2013 school year the district received unexpectedly an additional 96 students, and we have sought to understand why this unanticipated growth occurred. We have noted that we counted 652 Belmont students in private schools during the 2011-2012 school year. In 2012-2013 that number dropped to 571. Inferentially, we presume that the strictures of the economy may account for a substantial portion of the increase in our student population. The most recent student population projection from the New England School Development Council (NESDEC), an estimate we asked the organization to perform in accord with their protocols in November 2012, suggests that we may receive an additional 103 students in FY 14. We are hesitant to believe that we are likely to receive such a substantial increase two years in a row, particularly in light of the fact that transfers from private schools seem to constitute the bulk of the 2012-2013 growth

and that the worst months of the economic recession seem to be behind us. We also believe that bringing on line last year a brand new elementary school has to be part of the reason behind growth. The adage is true: Build it and they will come.

The growth in the student population has provoked concern about growing class sizes among many parents, especially those of elementary and middle school students. To hear and attempt to address those concerns, we summoned a class size advisory group of parents and educators to investigate the credible research about class size and to suggest economical ways of addressing population growth. We would acknowledge that the growth is unusual among neighboring suburbs but is also undoubtedly attributable to the several factors that make Belmont a desirable community in which to live.

Nonetheless, if, as the Department of Elementary and Secondary Education has estimated for 2011-2012, our average per pupil expenditure is about \$12,000, then the addition of some 200 students within two years would imply a need to increase minimally the budget by \$2,400,000 just to keep even! Admittedly, such a crude measure has all sorts of limitations; but the growth in student population does suggest a real decline in the average per pupil expenditure. We believe it is realistic to assume that the student population in FY 14 will grow to more than 4,200 from its current February 2013 level of 4,146, inclusive of all students whether in district or in out-of-district placements.

Management Issues

As part of the its report to the Town about the School Department's Fiscal Year 2013 budget request, the Belmont Warrant Committee issued several managerial observations and recommendations that deserve comment and response.

- 1) The Committee had expressed concern about the number of part-time employees who had been eligible for benefits by virtue of working twenty or more hours each week. We have taken the concern seriously and have sought as much as possible to hold true part-time employees to less than twenty hours to the extent that contracts and practical operational needs allow. Important to note is that “full-time employee” has a varying definition depending upon the category of employment. Year-round administrators have a minimal 40-hour work week. Teaching professionals (Unit A bargaining personnel) have a minimal expectation of a 35-hour work week. In contrast, and apparently in my view because of attempts to bridge budget gaps in past years, hourly wage earners such as classroom aides have a full work week of 27.5 hours although some aides have a 30-hour week if employed to manage school arrivals and departures. By law, any employee working twenty or more hours per week has the right to claim full benefits, including health insurance. The issue is clearly to manage true part-time employees so that their weekly hours do not meet the twenty-hour threshold.

- 2) The Warrant Committee voiced concern about rising legal costs and surmised that because collective bargaining would not occur in FY 13, the allocated funds should presumably have decreased. The Committee did recognize that a fee-for-service agreement replaced the original retainer arrangement. The legitimate use of legal services is increasing, however, for several reasons. We do live in a litigious society: In consequence of a single complaint filed with the Office of Civil Rights, a

complaint that ultimately issued judgment in favor of the school district, we have nonetheless been required to expend funds to develop our responses to the complaint and to provide legal training to all staff as part of our settlement. Although there was a suggestion we renew a process of bidding for legal services, we do believe the current *per hora* fees charged by the two different law firms with whom we consult are very competitive within the industry and are already offered at a discount.

Furthermore, to work with specialized legal firms well familiar with the practices of the district—whether in special needs matters or general personnel and employment law—saves considerable time and effort because of the lawyer’s knowledge of the district. We incurred costs to contest two arbitration cases in FY 13 in addition to necessary reviews of proposed language changes in the contracts. There are inevitable employee discipline and due process issues that arise given a staff of over 700 employees. In calendar year 2012 alone there were three fairly complicated disciplinary cases to resolve. As a control, requests for legal counsel must now be approved only by the Director of Student Services, the Director of Human Resources, the Superintendent, or the Chairperson of the School Committee.

- 3) The Committee has recognized the substantial, built-in cost-driver, commonly known as the step-and-lane system of teacher compensation. The salary chart virtually guarantees a minimum 4% salary increase for most teachers as they move from one school year to the next, and that percentage increase is regardless of any additional so-called cost-of-living adjustments to the scale. The Belmont pay scale is competitive with most neighboring districts. However, as it presently exists, in our

judgment it is not fiscally sustainable; and we have made no secret of our intention of exploring with the Belmont Education Association during a renewal of contract negotiations next school year the reconstruction of the scale in such a way that it is at once fair to employees but financially viable for the long-term. Nationwide, the step-and-scale system has been historically imbedded and regarded by unions as sacrosanct. Nonetheless, the current step-and-lane Belmont scale in our view is no longer defensible.

- 4) The Warrant Committee expressed concern about the School Department's argument that services have had to be cut over the years and have pointed to apparent increases in professional numbers and overall low teacher-student ratios. That average elementary class sizes this year at the Wellington topped 25 demonstrates that the teacher-student ratio can be misleading if it includes all specialist teachers (art, music, physical education) as well as providers of special instructional services in classrooms. Also true is the fact that the number of instructional aides has increased, sometimes by virtue of a requirement in a student's individual education program or a student's 504 accommodation plan for a one-on-one or one-for-two adult aide. We have also used classroom aides at the Wellington to compensate for increased class sizes. The Committee noted that aide's "use in regular classrooms has increased."
- 5) The Warrant Committee has recommended that the "Department...consider alternate service delivery models and staffing patterns that might improve the cost-effectiveness of its programs." The administration is committed to exploring with the confines of collective bargaining limitations—some of which need to be addressed in

future negotiations—more cost-effective instructional models that either enhance or at the very least do not compromise the quality of instruction. Some innovation pilots are under way; the irony, of course, is that in this the 21st century there are models that in the long-term might generate cost-savings but in the short term require initial investments. For example, electronic textbooks and subscriptions for them are predicted to become increasingly more cost effective; but initial investment requires obtaining the technology to make us of online materials and texts. We are exploring with agents like the Foundation for Belmont Education—which had helped the system incorporate Smart Board instruction into its classrooms—how the Foundation’s next project might center upon instructional technology that leads to more efficient instructional delivery. We have also been most fortunate to receive a discretionary \$50,000 grant to explore innovation models, always with an eye for sustainability and cost-effectiveness.

- 6) The Warrant Committee recommended an evaluation of the LABBB program. A comprehensive evaluation of LABBB services is currently being conducted by Walker Associates, a highly respected independent agency. The study will evaluate the overall quality of programming as well as fiscal efficiency of services. We would note that there is a one-time cashing in of existing LABBB credits as proposed in the FY 2014 budget to offset \$190,000 of special education costs. We do believe that LABBB membership does provide economic benefits as well as programmatic management for out-of-district placements. We are striving to work with members of the Warrant Committee to demonstrate the presumed cost-effectiveness; however, the

technicalities about restricted access to student files and the limits of the current information management systems overseeing finances have frustrated our good-faith efforts. Nonetheless, we are continuing to explore how credible review of the financing can be technically as well as legally possible. (See #8 below.)

- 7) The Committee advised the department to “Bring grants and revolving accounts detail into line with the General Fund.” We are striving to make the grants and revolving allocations and balances as transparent as possible. Because of the recommendations of last year’s extracurricular citizens’ advisory group, we are freezing fees; we are proposing neither increases or decreases, and we are honoring for FY 14 our commitment to maintain the proportion of athletic fees to general fund subsidy at the ratio of 60:40 respectively for athletic activities. This commitment has to be reevaluated each fiscal year. We are providing a global chart with this budget submission that presents the more than 50 million dollars in total costs of administering the Belmont Public Schools, including expenditures subsidized by grants and fees. One of the administration’s admitted frustrations is that the MUNIS system for accounting as currently configured has not lent itself easily to revising and reforming the templates and lines and has made the kind of disaggregated accounting detail that both the department and warrant examiners desire very difficult to obtain. Limitations of the software also impede our attempts at modeling various funding scenarios. We are working with providers to find systems that might be better tailored for our needs.

- 8) The Warrant Committee has sought clearer distinctions for special education out-of-district sub-accounts. With the cooperation of sub-committee members, we are striving to tease out the best way of achieving this end but with less than satisfactory progress to date. Again, the electronic information and record systems are not helping us; and the project to provide clearer and connected information may well take longer than we had hoped. Furthermore, we are legally restrained by federal and state laws from opening individual education program documents to reviewers for them to track specific service costs.
- 9) The Warrant Committee has recommended that the Department and Town reconsider the consolidation of human resource operations. The administration has explored the past proposals and discussed with the Town Administrator and others the possibility of consolidated operations. Right now, however, the idea would not seem feasible because of the new statewide educator appraisal system, new licensure and recording requirements, the new law requiring fingerprinting, the expansion of CORI checks, and other mandates, some of which are being investigated by the Commonwealth's Auditor as possible unfunded mandates. As well, the addition by the state of requirements for teachers to have training in the acquisition of English as a second language, training in mandated reporting, negotiations with the six collective bargaining agents, knowledge about civil rights legislation, and other regulatory changes imply that a specialized human resources department for schools, as small as the current Belmont operation is, needs to maintain its expertise and competence discrete from administration of other town units. We do consolidate some human resources with the Town already, for example, benefits administration; but we do not

believe a structural reorganization would result in reduced staffing or reduced administrative costs.

10) The School Committee and school administration certainly agree that the use of one-time revenues is simply unsustainable. At the same time, we actively wonder if the Town is now at a point in its operations overall to explore an infusion of sustainable operating cash by means of a successful but thoughtful and conservative override. Attempting to control employment costs is certainly a priority of the department during next year's negotiations, but labor contracts and labor unions are already signaling higher expectations on the presumption that the economy is again growing. We certainly welcome the counsel of the Town's leaders as we forge ahead!

11) The members of the education subcommittee of the Warrant Committee have been in consultation with the administration about the Special Education Stabilization Fund. We do not at this time anticipate a need to petition for release of funds from that account in FY 2013. However, we also have come to recognize that there is some difference of understanding among Warrant Committee members and the administration about the uses to which the funds can be used. The administration has believed that monies would be available to provide for any major unanticipated special education costs; members of the education subcommittee indicate that they have understood usage to be restricted solely to out-of-district placements. We are working with the subcommittee, full committee, and Board of Selectmen to establish a clear and clearly understood protocol.

With collegiality and in mutual good faith to support the education of our young,
the Belmont School Committee and the District Administration respectfully submit to the
Town of Belmont the attached budget proposals.

Yours,

Thomas S. Kingston
Interim Superintendent of Schools