

FY 2020 Budget Overview

School Advisory Committee
Select Board

April 2, 2019

Mission of the Public Schools of Brookline

Our mission is to ensure that every student develops the skills and knowledge to pursue a productive and fulfilling life, to participate thoughtfully in a democracy, and succeed in a diverse and evolving global society.

Two Fundamental Beliefs Support Our Mission

1. Brookline should expect nothing less than exceptional and equitable outcomes for all of our learners. We must use our resources to ensure that we support every student to succeed at high levels.
2. What happens in our classrooms matter most -- In an effective school system the central office supports principals as instructional leaders, so principals can support educators, and educators can support students.

FY 2020 Budget Built to Support 3-year District Priorities

1. Maintain the quality of education, programs and services in the face of historic and ongoing enrollment growth;
2. Maintain small class sizes and the resources needed for student support positions in guidance, nursing and English language education
3. Ensure that all students have equitable access to in-depth, engaging, and high quality curriculum and instruction
4. Ensure that all students have access to high quality, modern facilities that support in-depth, engaging, and collaborative teaching and learning
5. Continue our progress on eliminating persistent opportunity and outcome gaps among students based on race, ethnicity, language, income and disability

FY 2020 Budget Challenges

Revenue and expense outlooks have changed significantly since Spring 2018.

1. Lower than expected Town revenue growth, an increase to the PSB's charge for pension liabilities, and increased expenses charged to Refuse Removal. Results in net revenue loss to the PSB of \$327,472 from the projected override budget.
2. Revenue from revolving funds and other sources of revenue, including transfers and offsets, are no longer allowed to be considered. Results in net revenue loss of \$406,714.
3. Unanticipated increases in mandated expenses, including a 27% increase in out-of-district tuition expenses, are increasing the special education budget for FY 2020.

These changes resulted in unanticipated fiscal challenges and a projected deficit of \$1,831,182 for FY2020. \$1,321,822 of this total is due increased special education costs, Legal Services, and Athletic Program budget correction. The remainder is revenue decrease

FY 2020 Budget Focus

FY 2020 budget request maintains the commitment to small classes, increased staffing, improved services, and strategic investments.

Three primary areas:

1. Maintaining current staffing levels and fulfilling contractual obligations
2. Responding to PSB's ongoing enrollment increases
3. Continuing the commitment to strategic investments approved by voters in 2018

FY 2020 Budget Focus

1. **Maintaining current staffing levels and fulfilling contractual obligations**

- As with all school systems, the majority of PSB's budget pays for teachers and other school-based personnel.
- 67% of the FY 2020 budget increase funds the contractually obligated costs of maintaining our existing staff.
- Funds equivalent to a 2% increase in cost of living (COLA) and a 3% increase for steps and lanes. Holding these funds in reserve pending the resolution of Unit A, Unit B, and paraprofessional contracts remains a priority despite the significant FY 2020 fiscal challenges
- This funding is within the 2018 override projection for FY2020

FY 2020 Budget Focus

2. Responding to PSB's ongoing enrollment increases and the growing complexity of student needs

- Brookline's historic enrollment growth is now impacting Brookline High School.
- Since 2005, the district's K-8 student population has grown by 41%, or 1599 students.
- In five years, high school enrollment is projected to accelerate and increase by an additional 21%, or 429 students.
- To keep pace with this ongoing growth, the FY 2020 budget increases in staff in several key areas.
 - 7.0 FTE to support BHS enrollment growth
 - 3.0 FTEs for guidance (K-8), nursing, and English Learner (EL) instruction
 - 1.0 FTE for an additional educational leader position at Brookline High School
 - A 27% increase in funding for out-of-district tuition to ensure that the PSB fulfills our moral and legal obligations to provide a free and appropriate public education in the least restrictive environment to all students

FY2020 Budget Focus

Due to slower projected K-8 growth in FY2020:

- FY2020 proposed budget will include a reduction of one kindergarten class at Pierce School.
- Growth at Coolidge will be met by re-assigning existing FTE
- Current 7th grade numbers at Lawrence combined with annual trends in student turnover at Lawrence, do not support expanding the 8th grade from three to four sections in FY20.

FY 2020 Budget Focus

- 3. Continuing the commitment to strategic investments approved by voters in 2018**
 - Hiring a Senior Director for Educational Equity
 - Increasing professional development funding by \$200,000 to support district-wide professional development on Diversity, Equity and Inclusion
 - Funding, at appropriate levels, of the resources necessary to support implementation of math program review recommendations, including funding for materials and professional development.
 - Funding the District's Financial Assistance policy
 - Funding to subsidize transportation services for high school students living in South Brookline
 - Holding in reserve dollars above the 2% COLA, steps and lanes for paraprofessional collective bargaining

FY 2020 Budget Preview

- FY 2020 budget as currently balanced
- Override Projections vs Final FY 20 Revenue impacted by shared expenses in Town School Partnership - Refuse Removal and pension liabilities
- Town should be expected to fulfill this commitment made to voters.

FY 19-FY 20 Override Budget Update - REVENUE

Revenue	FY 20 Override	FY20 Modification	FY20 Change
Base Level Revenue Available (base level; Tax Levy, Local Receipts, other Town revenue before additional funds from override and other fees/s)	\$ 3,199,413	\$3,556,451	\$357,038
Public Building Division portion of Revenue	\$ 200,000		\$ (200,000)
New Revenue (additional funds projected by SB based on override and other fees/sources)	\$ 3,382,930	\$ 3,139,505	\$ (243,425)
<i>Revenue Offsets (Circuit Breaker Reimbursement and Materials Fee)</i>	\$ 21,507	\$ (406,744)	\$ (428,251)
Net New Revenue	\$ 6,803,850	\$ 6,289,212	\$ (514,638)

**FY 19-FY 20 Override Budget Update -
Preliminary Base Budget Request (maintenance of effort)**

Personnel	FY 20 Override	FY20 Modification	FY20 Change
Collective Bargaining Agreements/Projections (2% COLA)	\$ 1,973,763	\$4,472,719	\$ (329,926) Turnover savings
Collective Bargaining Agreements/Projections (3% Steps)	\$ 2,828,882		
Turnover Savings (Retirement/Resignation/Termination)	\$ (675,000)	\$ (800,000)	\$ (125,000)
Personnel Adjustment		\$ (129,325)	

**FY 19-FY 20 Override Budget Update -
Preliminary Base Budget Request (maintenance of effort)**

Expenses	FY 20 Override	FY20 Modification	FY20 Change
Benefits Reserve is initially set to \$0 and reflects in both budgets the net savings/reserve for FTE reductions and additions	\$ 167,475	\$ -	\$ (167,475)
Literacy Collaborative PD Funds -- brought fully in-house			
Building Services Expenses			
Tuition Budget Reduction (Students Aging Out and/or returning to the district)	\$ 300,000	\$ 1,126,087	\$ 826,087
Legal Services	\$ -	\$ 11,389	\$ 11,389
Total Base without Mandates or Maintenance of Effort - Personnel and Expenses	\$ 4,595,120	\$4,748,870	\$153,750

FY 19-FY 20 Override Budget Update - Enrollment Growth

Personnel	FY 20 Override	FY20 Modification	FY20 Change
Classroom Staff (FY19 = 10, FY20 = 10, FY21= 15, FY22 = 17, FY 23 = 5) = Avg 21 students	\$ 693,600	\$ 551,113	\$ (142,487)
Nurse, Guidance, ELL/Other (3 Unit A per each year - avg \$68k + COLA) - Sustains Ratios	\$ 208,080	\$ 216,345	\$ 8,265
Maintain Educational Leader Ratio of 250:1 (Non-override: Lawrence VP, BHS Assoc Dean. Override Budget adds: FY 20 1.0 Assoc Head Master and FY 21 0.8 BHS Assoc Dean due to enrollment increases)	\$ 120,000	\$ 120,000	\$ -
BESA and Custodian for BHS Expansion	\$ 60,000	\$ 48,715	\$ (11,285)

FY 19-FY 20 Override Budget Update -
Enrollment Growth

Expenses	FY 20 Override	FY20 Modification	FY20 Change
Transportation (Mandated In-District Special Education and Contract Increases)	\$ 3,522	\$ 62,829	\$ 59,307
Transportation (Regular Ed Contract Increase)	\$ 54,363	\$ (55,363)	\$ (109,726)
Program Review Materials (Supplies and Materials Adoptions for Math and subsequent subjects) Review FY18-19; Adoption FY20.	\$ 371,880	\$ 371,880	\$ -
Total Enrollment Growth - Personnel and Expenses	\$ 1,511,445	\$ 1,315,519	\$ (195,926)
Subtotal New Revenue Needed for Maintenance of Effort Only	\$6,106,565	\$6,064,389	\$(42,176)
Maintenance of Effort - Balance/(Deficit)	\$ 697,285	\$224,823	\$(472,462)

FY 19-FY 20 Override Budget Update - Strategic New Investments

Personnel	FY 20 Override	FY20 Modification	FY20 Change
Professional Development: Override Budget Sr Dir Equity and embedded PD for Unit A	\$ 280,000	\$ 200,000	\$ (80,000)
Athletics Staffing Moved from Revolving Fund		\$ 416,346	\$ 416,346

Expenses	FY 20 Override	FY20 Modification	FY20 Change
BHS Transportation - Implementation of Fee Based Bussing for South Brookline		\$ (8,600)	\$ (8,600)
Supplies and Materials - Original \$621k would remove supply lists sent home and expand with enrollment (\$50-\$135 range per pupil, by grade level); the \$89k remaining minimally addresses enrollment and price increases of supplies already provided by PSB	\$ 28,337	\$ (271,663) Base Budget Reduction	\$ (300,000)

FY 19-FY 20 Override Budget Update - Strategic New Investments

Expenses - continued	FY 20 Override	FY20 Modification	FY20 Change
Other Expenses - Conferences, dues, travel, etc	\$ -	\$ (260,207) Base Budget Reduction	\$ (260,207)
NEASC - BHS	\$ 40,000	\$ 0	\$ (40,000)
Pending Contract Negotiations: Additional funds for paraprofessional wages (full amount requested = \$529k; amount funded by SB = \$0; amount reserved by SC is \$148k)	\$ 148,947	\$ 148,947	\$ -
Public Buildings Division (Original Request \$625k, Opening Devotion FY 2019/BHS FY 2021/Opening 9th School FY 2022; No override \$75k annually minimally meets inflation plus \$24,196 Town/School Partnership Correction. The Override does not address BHS opening, but begins to address maintenance needs)	\$ 200,000	Removed to Public Building Division	\$ (200,000)
Total Strategic New Investments - Personnel and Expenses	\$ 697,284	\$ 224,823	\$ (472,461)

FY 19-FY 20 Override Budget Update -
Total New Investments to Operating Budget

	FY 20 Override	FY20 Modification	FY20 Change
Total New Investments to Operating Budget	\$ 6,803,849	\$6,289,212	\$(514,637)
Total New Revenue Needed for Maintenance of Effort and New Investments	\$ 1	0	\$ (1)
	(Over)/Under Avail Rev.		
Total Budget Request	\$ 120,597,270	\$119,841,548	\$(755,722)
Reconciling Items	\$ -	\$ -	\$ -
Published Budget	\$ 120,597,270	\$119,841,548	\$(755,722)
Budget (Deficit)/Balance	\$ 1	\$ -	\$ (1)
Offsets	\$ (2,915,588)	\$ (2,487,337)	\$ 428,251
Town Appropriation	\$117,681,683	\$117,354,211	\$ (327,472)

FY 20 Budget

Management of Original Deficit

	Changes from Projection	Balancing FY20 Budget	Return of FY19 ATM Base Appropriation
Revolving Fund Reimbursement (Loss)	\$ 150,680		
Other Revenue (Loss)	\$ 358,680		
Town Revenue - Over projected revenue		\$ (15,190)	
School Department Revenue (Increase)		\$ (6,109)	
Salary Projection		\$ (329,926)	
Salary Savings (Retirement/Resignation/Termination)		\$ (125,000)	
Personnel Adjustments		\$ (129,325)	
Out of District Tuition Budget Increase	\$ 894,087		
Legal Services	\$ 11,389		
Net Override Positions (3.0 FTE, salary recalc)		\$ (145,507)	
Net Transportation Contracts & Fee Bussing		\$ (59,019)	
Professional Development Reduction		\$ (80,000)	
Athletics Moved from Revolving Fund	\$ 416,346		
Supplies and Materials (General Reduction)		\$ (300,000)	
Other Expenses - Conferences, dues, travel, etc		\$ (260,207)	
NEASC - BHS		\$ (40,000)	
Benefits Reserve		\$ (167,475)	
	\$1,831,182	\$ (1,657,758)	\$ 173,424