

**INTERIM
SUPERINTENDENT'S
FY 2021
BALANCED BUDGET
RECOMMENDATION**

APRIL 23, 2020



Priorities Developed Through the Budget Process

- ▶ Preserve Brookline's robust, well-rounded learning experience for our students PK-12 including our programs, services, and support
- ▶ Preserve the integrity of the instructional environment for our teachers, educators, and schools
- ▶ Adjust staffing, programs, and services based on the situation at each school as part of an annual assessment of what is needed in the upcoming year
- ▶ Live within our means by foregoing adding new positions in favor of preserving, as best we can, the programs, staff, services, and support we currently have
- ▶ Identify cost savings through targeted adjustments rather than across the board cuts to any programs
- ▶ Strengthen the emotional and behavioral support we provide our students PK-12

Budget Challenges

In FY 2021, PSB again faces a structural deficit due in large part to:

- ▶ PSB getting lower than expected revenue from 2018 override. This compounds the effect of the deficit originally projected in third year of override.
- ▶ Ongoing increase in personnel costs as a result of adding 237 full time equivalent staff (FTE) since FY2016
- ▶ Larger than expected year over year increases in mandated expenses, including out-of-district tuition expenses and special education transportation.
- ▶ Resulted in a \$3.6 million total gap between projected expenses and revenue

Budget Development History - 2018 Override to Jan 2020

Program	FY20 STM	FY21 Override Plan 4/2018	FY21 Override Plan Adjusted 12/2019	FY 21 Override Plan with Known Revenue and Mandatory Expenses - 1/2020	Interim Supt's FY21 Request Jan 30, 2020
Revenue					
Total Revenue	\$ 119,872,443	\$ 126,824,345	\$ 125,304,298	\$ 125,882,952	\$ 126,112,627
Expenses					
Personnel	\$ 104,045,184	\$ 109,805,819	\$ 110,350,000	\$ 110,256,672	\$ 109,099,464
Services	\$ 11,502,584	\$ 12,248,617	\$ 13,997,419	\$ 13,430,972	\$ 12,867,901
Supplies	\$ 1,799,606	\$ 2,116,617	\$ 2,602,305	\$ 2,116,617	\$ 1,934,633
Other	\$ 1,290,721	\$ 1,288,570	\$ 1,091,863	\$ 1,278,220	\$ 1,147,837
Utilities	\$ 0	\$ 0	\$ 10,350	\$ 10,350	\$ 10,350
Capital	\$ 1,234,348	\$ 1,364,723	\$ 1,191,685	\$ 1,364,723	\$ 1,203,048
Transfers to Municipal Dept.	\$ 0	\$ 0	\$ 300,058	\$ 252,922	\$ 101,000
Expense Total	\$ 119,872,443	\$ 126,824,346	\$ 129,543,725	\$ 128,710,476	\$ 126,364,233
Surplus/(Deficit)	\$ 0	\$ 0	\$ (4,239,427)	\$ (2,827,524)	\$ (251,606)

Where We Are Now

Program	FY20 STM	FY 21 Override Plan with Known Revenue and Mandatory Expenses - 1/2020	Interim Supt's FY21 Request Jan 30, 2020	Revised FY21 Request (Adjusted Feb 6, 2020)	Balanced Budget Request April 2020
Revenue					
Total Revenue	\$ 119,872,443	\$ 125,882,952	\$ 126,112,627	\$ 125,937,685	\$ 125,937,685
Expenses					
Personnel	\$ 104,045,184	\$ 110,256,672	\$ 109,099,464	\$ 109,099,464	\$ 108,101,256
Services	\$ 11,502,584	\$ 13,430,972	\$ 12,867,901	\$ 12,755,650	\$ 12,755,650
Supplies	\$ 1,799,606	\$ 2,116,617	\$ 1,934,633	\$ 2,046,884	\$ 2,019,884
Other	\$ 1,280,371	\$ 1,278,220	\$ 1,147,837	\$ 1,147,837	\$ 1,147,837
Utilities	\$ 10,350	\$ 10,350	\$ 10,350	\$ 10,350	\$ 10,350
Capital	\$ 1,234,348	\$ 1,364,723	\$ 1,203,048	\$ 1,203,048	\$ 1,203,048
Transfers to Municipal Depts, SOA, Title 1 revision	\$ 0	\$ 252,922	\$ 101,000	\$ 934,850	\$ 609,850
Expense Total	\$ 119,872,443	\$ 128,710,476	\$ 126,364,233	\$ 127,198,083	\$ 125,847,875
Surplus/(Deficit)	\$ 0	\$ (2,827,524)	\$ (251,606)	\$ (1,260,398)	\$ 89,810

Closing a \$3.8 Million Projected Budget Gap

Closing the Budget Gap

Limited and Targeted Adjustments rather than wide scale cutting of staff, programs, or services

- ▶ Maintains our ability to deliver high quality instruction, a well-rounded education, and robust programs
- ▶ Will result in limited impact to our classrooms
- ▶ Any increase in class sizes is consistent with other schools and grade levels across the district
- ▶ Each school has a small number of fractional FTE adjustments based on input from principals, curriculum coordinators, special education directors, and Senior Leadership
- ▶ These adjustments are based on specific enrollment, staffing, schedule, or program related factors at each school
- ▶ The limited number of position cuts will happen primarily through attrition, retirements and reallocation;

Summary - Closing a \$3.8 million Projected Gap

Summary

1. January - Reduced anticipated budget gap from \$2.8 million to \$251,606
2. February - Anticipated budget gap increased by \$1 million from \$251,606 to \$1,260,398
 - a. Due to including additional Building Department requests, Student Opportunity Act requirements, and anticipated Title I reductions
3. April - Balanced budget by identifying \$1,350,909 in cost savings

Closing a \$3.8 million Projected Gap

January -

1. *Live within our means by foregoing adding new positions in favor of preserving, as best we can, the programs, staff, services, and support we currently have -*
 - a. Reduction of planned growth from override - \$1,157,208 (new teachers and one school-based administrator)
2. Continue the FY 20 reductions in Supplies/Materials - \$600,380
3. Further refinement of Special Education Tuition and Transportation projections reduced anticipated spending by \$666,408. **Did not result in any actual spending cuts.**
4. Utility Expenses for 2 Clark Rd removed prior to Revenue Allocation - \$151,922

Impact of these adjustments = Projected Deficit reduced from \$2.8M to \$251,6060

Closing a \$3.8 million Projected Gap

<u>Staff Added at BHS since FY 2016</u>			
	Teachers and Paraprofessionals	School Leaders	Total Staff Added
FY 2016	0.0	0.0	0.0
FY 2017	7.5	0.0	7.5
FY 2018	7.0	0.0	7.0
FY 2019	3.0	1.0	4.0
FY 2020	7.0	1.0	8.0
Total Staff Added	24.5	2.0	26.5

BHS Enrollment Projection Comparisons

	Data Used for Spring 2018 Override Planning	Actual BHS Enrollment	Winter 2020 Cropper Forecast <i>(Difference from Override Planning)</i>	MSBA <i>(Difference from Override Planning)</i>
FY16	1,933 (actual)	1933	--	--
FY17	1,980 (actual)	1980	--	--
FY18	2,044 (actual)	2044	--	--
FY19	2,112 (projected)	2084	--	--
FY20	2,166 (projected)	2064	--	--
FY21	2,255 (projected)		2129 (-126)	2137 (-118)
FY22	2,415 (projected)		2209 (-206)	2217 (-198)
FY25	2,564 (projected)		2309 (-255)	2329 (-235)

Closing a \$3.8 million Projected Gap

What we've done in April

1. *Adjust staffing, programs, and services based on as part of an annual assessment of what is needed in the upcoming year*
 - a. Professional Development: defund 184th day (second district-wide professional development day) that has never been used; Focus teacher mentor programs on beginning teachers - \$235,000
 - b. Consolidation of small classes in upper elementary and middle grades - Lawrence, CCS, Pierce, and Heath - \$283,00
 - c. Special education staff based on reduction of known and anticipated needs of students (6.4 FTE) - \$314,000
 - d. Eliminate BU Internship program - \$80,000

Closing a \$3.8 million Projected Gap

What we've done in April (continued)

2. Identify cost savings through targeted adjustments rather than across the board cuts to any programs
 - a. Adjustments based on school scheduling needs - does not reduce programming that students will receive (Visual Arts .5 FTE; World Language .4 FTE; Math specialist/coach .7 FTE)
3. Did not accept Building Department's recommendations for additional maintenance - \$325,000

Total of these adjustments = \$1,350,909

Summary - Adjustments Made to Balance Budget - April

	Description	FTE	Personnel	Services	Supplies	Other	Utilities	Capital	Total Operating Budget
Unfund 184th Day	Workshop Funds		\$ 173,000		\$ 27,000				\$ 200,000
Professional Development	Substitute Coverage								\$ -
Professional Development	Mentor		\$ 35,000						\$ 35,000
Grade Level Consolidation	Pierce, Heath, CCS, and Lawrence	4.00	\$ 282,804						\$ 282,804
BU Interns	Annual assessment of needs on a school by school basis		\$ 80,000						\$ 80,000
Special Education	Adjust staffing based on planned reduction of student services	3.40	\$ 240,383						\$ 240,383
K-8 Special Education		3.00	\$ 73,899						\$ 73,899
K-8 World Language		0.40	\$ 28,280						\$ 28,280
K-8 Math		0.70	\$ 49,491						\$ 49,491
K-8 Visual Arts		0.50	\$ 35,351						\$ 35,351
Building Department Maintenance Request	Additional Maintenance not recommended by Capital Sub		\$ 325,000						\$ 325,000
									\$ -
Total Cost Savings		11.50	\$ 1,323,208	\$ -	\$ 27,000	\$ -	\$ -	\$ -	\$ 1,350,208

Summary of Identified Cost Savings

1. *Reduction of planned staff additions - \$1,157,208*
2. *Professional Development - \$235,000*
3. *Supplies - \$600,380*
4. *Ending internship program - \$80,000*
5. *Existing Staff FTE reductions because of below average class sizes, no further need for services, and targeted adjustments in specials - \$710,000*
 - *Reduction of existing staff is 11.5 FTE out of 1,299 existing FTE or 0,8% of staff*
 - *Reductions primarily addressed through staff attrition, retirements, and adjusting FTE's from full time to part time*

Interim Superintendent's Balanced Budget* Recommendation

Program	FY20 STM Approved Budget	Balanced Budget Request April 2020	Change from FY20 Budget (\$)	Change from FY20 Budget (%)
Revenue				
Total Revenue	\$ 119,872,443	\$ 125,937,685	\$ 6,065,242	5.10%
Expenses				
Personnel	\$ 104,045,184	\$ 108,101,256	\$ 4,056,072	3.90%
Services	\$ 11,502,584	\$ 12,755,650	\$ 1,253,066	10.90%
Supplies	\$ 1,799,606	\$ 2,019,884	\$ 220,278	12.20%
Other	\$ 1,280,371	\$ 1,147,837	\$ (132,534)	-10.40%
Utilities	\$ 10,350	\$ 10,350	\$ -	0.00%
Capital	\$ 1,234,348	\$ 1,203,048	\$ (31,300)	-2.50%
Transfers to Municipal Depts, SOA, Title 1 revision	\$ 0	\$ 609,850		
Expense Total	\$ 119,872,443	\$ 125,847,875	\$ 5,294,881	4.40%
Surplus/(Deficit)	\$ 0	\$ 89,810		

The Road Ahead

Next Steps

*** Impact of COVID-19 pandemic likely to severely impact FY21 budget and require further cuts.**

- ▶ Too early to tell the depth and severity of these cuts
 - ▶ Cost saving ideas generated during collaborative budget development process have provided likely solutions for further cuts
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- ▶ 4/23 - Public presentation of preliminary balanced budget at Finance Subcommittee meeting
 - ▶ 4/30 - Public presentation of balanced budget at School Committee meeting
 - ▶ 5/14 - Public comment on balanced budget
 - ▶ May - June: further planning for COVID-19 pandemic impacts on FY21 budget including development of contingency budget based on federal, state, and town financial updates and prior work done to identify cost savings

Information Requested by and Shared with School Committee

1. Brookline High School Staffing - Additions since FY 2016
2. Central Office Staffing Comparisons with Arlington, Cambridge, Lexington, Needham, and Newton
3. Number of Staff by Bargaining Unit
4. Paraprofessional Wages comparison with Belmont, Boston, Cambridge, Lexington, Newton, Wellesley, and Winchester
5. Paraprofessional Pay Compared to Brookline Living Wage (Classroom Paraprofessionals)
6. K-5 Collaborative Planning Time Concepts

Overview of Growth FY05 - FY20

	FY 2005	FY 2010	FY 2015	FY 2019	FY2020	Change FY05 - FY15	Change FY15 - FY20
PK-12 Enrollment	5,984	6,472	7,508	7,855	7,857	+1,524	+349
# of Employees (FTE)	868.3	938.3	1061.5	1277.8	1299.1	+193.2	+237.6
Operating Budget (General Fund)	\$55,828,665	\$72,072,892	\$90,630,150	\$110,756,679	\$119,841,548	+\$34,801,485	+\$29,211,398

Positions Added Since FY 2016 (SY 15-16)

	Teachers - Unit A	Para-professionals	School Based Educational Leaders	Custodians and Secretaries	Central Office - Staff	Central Office - Leaders	Total FTE Added since FY 2015
FY 2016	50.7	7.1	5.4	4.6	3.4	4.0	75.2
FY 2017	32.2	22.5	0.0	0.0	1.0	0.0	55.7
FY 2018	23.8	11.9	1.0	0.0	-2.0	-1.0	33.7
FY 2019	14.5	16.7	2.0	2.0	2.5	1.0	38.7
FY 2020	16.0	15.3	2.0	1.0	0.0	0.0	34.3
Total	137.2	73.5	10.4	7.6	4.9	4.0	237.6

Yellow Indicates School-Based Personnel.