

FY22 Budget Overview

Brookline School Committee

April 06, 2021



PSB Mission

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.

Why is budget taking so long to finalize?

- Huge shifts in personnel
 - RLA is a 9th school (bringing online and decommissioning in less than one year is very complex)
 - Large pre- to post-pandemic (potential) enrollment changes must be addressed
 - Scrutiny of equity across programs, buildings
- Documentation of every budget request
- Goals
 - Adhere to SC Budget Guidelines
 - Minimize Reductions in Force
 - Optimize and extend use of one-time revenues

FY 22 Revenue Update

Revenue	FY21	FY22 Projected as of January 21	FY 22 Projected as of Feb 11	FY 22 SC request as of Feb 11	Updated FY 22 Projected March 25 & April 6	FY 22 Projected Change from FY 21
Town/School Partnership*	\$118,998,990	\$117,253,547	\$120,045,272	\$125,825,945	\$120,197,727	\$1,198,737
ESSER II initial (in-person learning)			\$1,641,807	\$1,641,807	\$ 1,491,807	\$ 1,491,807
ESSER III					\$3,641,000	\$3,641,000
American Rescue Plan (Town Allocation)					TBD	
Circuit Breaker	\$1,971,547	\$2,292,164	\$2,292,164	\$2,292,164	\$2,292,164	\$320,617
Tuition/Materials Fee	\$505,000	\$505,000	\$520,150	\$520,150	\$520,150	\$15,150
Total Projected Revenue	\$121,475,537	\$120,050,711	\$124,499,393	\$ 130,280,066	\$ 128,142,838	\$6,667,301

- FY22 Town/School Partnership Allocation - + Chapter 70 and State Aid increase (NEW GIC ADJUSTMENT +\$152,455)
- ESSER II (<https://www.doe.mass.edu/grants/2021/115/>) Adjusted for Spring Tents (\$150K); expires Sept 2023)
- ESSER III based on MMA/congressional delegation information (expire Sept 2023)
- ARP based on MMA/congressional delegation information (expire December 2024)
- Circuit Breaker Level fund to FY 21 actual reimbursement
- Materials Fee tuition: +3% annual increase

FY 22 Budget Update

Summary	FY21	As Presented by Supt Feb 11	As Voted by SC Feb 11	Supt Budget Revision as of March 4	Supt Budget Revision as of March 25	Supt Budget Revision as of April 6	Change from FY 21
Salaries	\$ 105,814,285	\$ 109,943,156	\$ 110,093,156	\$ 836,398	\$ 110,929,554	\$109,025,735	\$ 3,211,4509
Contracted Services	\$ 11,639,625	\$ 13,514,903	\$ 14,381,903		\$ 14,381,903	\$14,013,622	\$2,473,997
Supplies	\$ 1,751,453	\$ 1,826,453	\$ 2,518,453		\$ 2,518,453	\$2,577,786	\$826,333
Other Charges	\$ 1,053,534	\$ 1,053,534	\$ 1,053,534		\$ 1,053,534	\$1,247,621	\$194,087
Utilities	\$ 7,350	\$ 7,350	\$ 7,350		\$ 7,350	\$8,437	\$1,087
Equipment	\$ 1,209,290	\$ 1,209,290	\$ 1,209,290		\$ 1,209,290	\$1,180,913	\$28,377
Sub Total PSB Projected Budget Request	\$ 121,475,537	\$ 127,554,686	\$129,263,686	\$ 836,398	\$ 130,100,084	\$128,054,114	\$6,628,577
Building Div - Salaries		\$ 545,000	\$ 545,000	\$ (272,500)	\$ 272,500		
Building Div - Services/Mat'ls		\$ 471,380	\$ 471,380		\$ 471,380	\$471,380	
Total Projected Budget Request	\$ 121,475,537	\$ 128,571,066	\$130,280,066	\$ 563,898	\$ 130,843,964	\$128,525,494	\$ 7,081,9577
Point in time projected FY22 revenue (from revenue slide)		\$124,499,393	\$124,499,393	\$ 2,496,253	\$ 127,783,813	\$128,142,838	
Point in time deficit		\$ (4,071,673)	\$ (5,780,673)		\$ (3,060,151)	\$ (382,656)	

Ongoing Steps to Closing the Gap

- Hold class size to average of 19 students per sections in the K-8 schools. Ongoing analysis of high school to identify reductions.
- In light of reduced enrollment, continue working with principals and coordinators to review all programs for efficiencies and alternate delivery models. We continue reviewing all areas of the schools, including supplies, materials, equipment, and personnel.
- Continue working with the Town to identify other funding sources

Upcoming Budget Presentations and Updates

Meetings:

Next SC Budget Update: April 8, 2021 (also meetings April 15 & 29)

AC Presentation: April 15, 2021

SC finance subcommittee: May 13, 2021

Town Meeting: May 19, 2021 (Day 1)

Budget Central Updates: <https://www.brookline.k12.ma.us/Page/108>

Program Budgets and impact statements on OpenGov

Town Financial Plan: proposed motion

Motion to request for the purposes of the Town Financial Plan,
\$125,825,945 of the Town Revenue Allocation as of February 11, 2021
which is sufficient to meet the projected need of
the School Department

= \$120,045,272 (town/school partnership) + \$4,071,673 (FY 22 projected gap)
+ 867K (contracted serv) + 692K (supplies) + 150K (OTL)

Not included: (\$1,641,807 - Esser II; \$2,292,164 - Circuit Breaker; \$520,150 - Materials Fee)

* Town Meeting appropriates only Town School Partnership/Town Financial Plan funds. (see Slide 3 for Revenue breakdown)

FY22 PSB Budget Highlights - **DRAFT 04/08/2021**

In preparation for the upcoming year, the budget was reviewed line by line through a budgeting process that approximated zero-based budgeting. The district made changes to respond to anticipated enrollment as well as additional student academic and emotional support. These student needs are balanced against the realities of the budgetary environment. The federal government has provided large one-time funds, but they are just that: one-time (though may be used over several years.) There must be a thoughtful multi-year plan for how to re-align local revenues with the district budget once the federal monies run out.

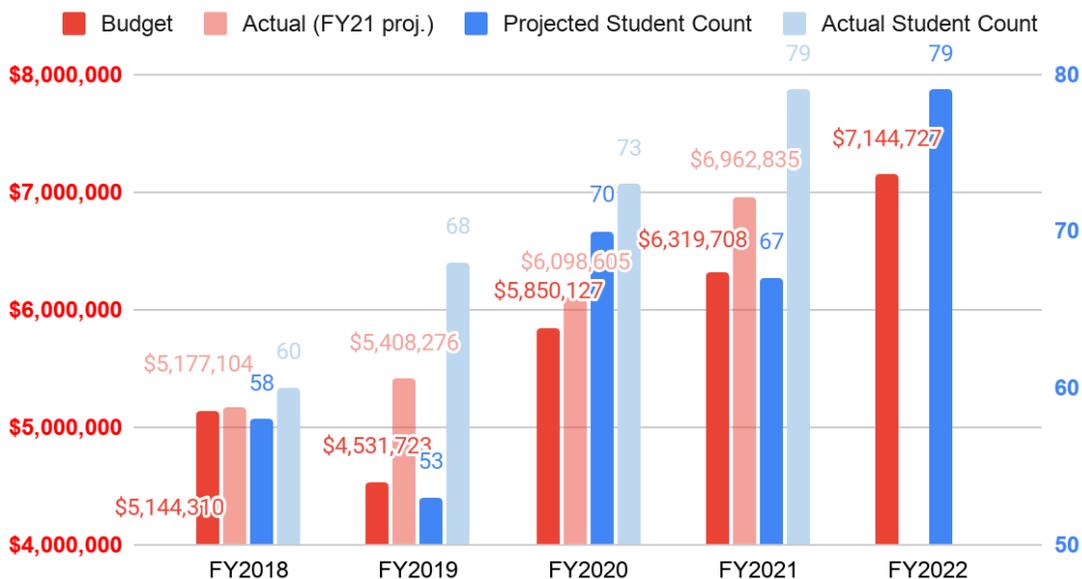
One of the obvious questions is why, in spite of this careful budget scrutiny, are PSB expenses not significantly down? While the intuition would be that costs would reduce by 7% in accordance with the overall projected enrollment reduction from the pre-pandemic (Fall 2019) K-12 enrollment of 7506 to the projected Fall 2021 enrollment of 6956, the reality is much less straightforward, as described next.

Special education enrollment does not follow overall enrollment trends

One challenge to assuming costs will reduce is that the number of students in special education follows its own trend lines. This is particularly important to understand because Brookline educators focused on special education make up a significant portion (approximately one-third of teachers, two-thirds of paraprofessionals) of our overall educator pool, and those costs reflect the different enrollment trajectory of those students.

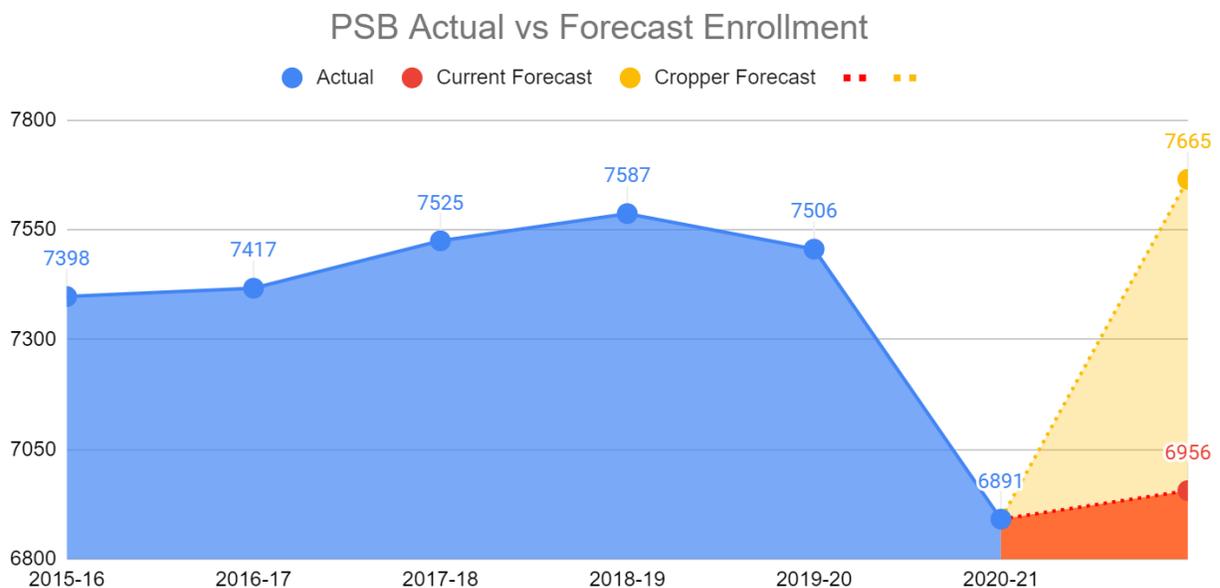
Furthermore, costly out-of-district placements have increased by 18% (from 67 projected for this year, to an actual 79 for this year, which is projected to stay static for the upcoming year). From FY2019 (actual) to FY2021 (current year projected) those costs have increased by 29%.

Out of District Tuition Expenditures



The enrollment forecast is down...with a wide cone of uncertainty

The chart below provides an update of K-12 enrollment. The blue line below represents the actual enrollment through the current year. The yellow dot is the previous forecast for enrollment for next year and the red dot is the current forecast for enrollment for next year. The yellow shaded area represents an area of uncertainty in enrollment that the district must be mindful of but cannot control. For instance, the red dot reflects ongoing reduced student enrollment from international families temporarily in Brookline, but the yellow dot reflects more typical levels of international student enrollment. The district must plan for a best-guess forecast for student enrollment, while also remaining sufficiently staffed to respond to a larger number of students if that should come to pass. At the K-8s, this has been accomplished by aiming for an average enrollment in each class of 19 students, which if sustained can provide near-term slightly-smaller class sizes to support academic and socioemotional support, but if needed can also accommodate the increase in students that the yellow shaded area represents. Most other K-8 educators (e.g. art, physical education) are staffed according to the number of classrooms and so that model should provide resiliency given our K-8 enrollment uncertainty. At the high school, similar uncertainty in enrollment exists and any significant increase in students will result in larger than usual classes.



Responding to student and district needs

As noted above, students are anticipated to have additional academic and emotional support needs. These changes, described in more detail below, do require additional funds. Furthermore, the district has responded to budget challenges with personnel spending in recent years by cutting supplies and services, and imposing a budget freeze earlier and earlier each year. In FY19 the freeze began in May, in FY20 it began in January, and in FY21 it began in November. The impact of this cut-freeze cycle has meant curriculum coordinators did not have access to the materials needed to run their programs as envisioned throughout the school year. This budget is a first step to breaking that cycle.

REVIEW OF BUDGET CHANGES

What follows is a summary of the most notable changes. Some of these changes have been several years in the making. Some are related to the vast nature of changes that have taken place in the education landscape as a whole this year, or simply highlighted pre-existing gaps we could no longer defer. Some are related to the reduction in student enrollment.

Special Education Personnel

- Reviewed staffing levels in each area to compare against current student IEP service mandates, given the overall enrollment reduction. Staffing was also benchmarked against recommended levels from relevant bodies (e.g. MA Department of Health, American Occupational Therapy Association).
- Assumed responsibility for the special education and low-income portion of BEEP costs (previously funded from the revolving fund) by funding the appropriate fraction of educator FTEs into the operating budget.
- Added 8 K-12 Social Workers to support students and their caregivers (including one focused on students in the Steps to Success program and one at the HS focused on LGBTQIA+). Previously there were no social workers in the K-8s and seven at BHS.
- Added a Director of Socioemotional Learning to oversee the Social Worker program.

General Education Personnel

- Decommissioned staffing related to the Remote Learning Academy, the district's fully remote school that was established as a one-year virtual option for the 2020-2021 school year. This is a reduction of ~82FTEs.
- Reviewed staffing levels in each area of each of the K-8s to compare against projected enrollment, while balancing against potential enrollment range as described above. Classrooms in grades K-8 have been reduced from a total of 270 (pre-pandemic, district-wide) to a projected 262. This is a reduction of 8 classroom FTEs and 4 other FTEs.
- Reviewed staffing at the HS to see where reductions could be made without impacting education, identifying a total of 5 FTEs.
- Reviewed staffing for each of the special programs that service our students and educators and eliminated or streamlined staffing to best meet student needs for the upcoming year. For example, literacy coaches (to support teachers) have been slightly reduced while literacy specialists (directly servicing students) have been maintained even as the grant for literacy intervention for low-income students was significantly reduced, requiring 2 additional FTEs to move to the operating budget.
- The Enrichment and Challenge Support program, which was initially slated for a one-year program pause for re-envisioning, has been partially returned at ~½ the staffing cost (\$90K vs \$550K) to enable a small-scale pilot of one re-envisioning concept.
- The English Language Education staff has been reduced to account for fewer international students while continuing to provide a highly supportive structure.

Other Personnel

- Custodial staff has been increased to reflect the increase in square footage resulting from the new HS building coming online in the fall (2FTEs) and the new wing of the main building coming online mid-year (0.5FTE this year, converting to 1FTE the following year). These staff will maintain an additional 80,000 square feet at the BHS campus.
- Responding to the BFAC recommendations to increase financial oversight, the district has added a budget analyst focused on payroll.
- The Director of Professional Development position has been discontinued; the work will be carried forward by one of the three other senior staff in the Office of Teaching and Learning.

Non-personnel Expenses

Though it is a much smaller portion of the budget, all non-personnel expenses were also carefully scrutinized.

- **Services.** The bulk of service costs are for out of district tuition and transportation (nearly \$10.2M or two-thirds of the \$14.1M total services line) which as noted above, are not costs that the district can control. Another \$400K is for special education therapeutic services. The other ~\$3.4M is roughly broken down into:
 - \$1.5M for software and equipment leases needed to support students and run the district. These vary from online encyclopedia subscriptions, to copier leases, to the HR staffing software, etc.
 - \$950K professional services. These vary from legal services, to highly-specialized evaluations (e.g. psychological evaluations in a language other than English), to data privacy consulting, etc.
 - \$700K cleaning services - PSB custodial work is staffed in a hybrid model in which some is outsourced. The custodial contract increased significantly this year, which is beyond the district's control and must be funded to maintain the current level of service.
 - \$100K for equipment repair and maintenance
 - \$225K for other services such as phone contracts, wiring of network access points, moving, printing and so forth.
- **Supplies.** As noted previously, supplies have been cut drastically in recent years and budgets frozen mid-year, leading to difficulty in funding curriculum. This budget attempts to break that cycle, returning supplies much closer to an appropriate level. Supplies are funded at just over \$2.5M, an increase of nearly \$800K from last year.
 - Curriculum and building supplies account for just over 82% of the total (\$2.1M.) Curriculum supply needs have been documented extensively at each grade level for the first time. This will allow for better forecasting of supply costs at each level going forward, and ensure students have access to the curriculum as envisioned. Building supplies (e.g. paper, laminating supplies, etc) have not been fully funded but have been increased (building supplies have been an ongoing issue and were requested for funding through the 2018 override but ultimately not included on the ballot.) In addition, the district assumed responsibility for the special education and low-income portion of BEEP supply

costs (previously funded from the revolving fund) by funding the appropriate fraction of classroom supplies into the operating budget.

- Cleaning supplies account for another 10% (\$260K) of the supply budget. This has increased as well due to additional cleaning needs and square footage.
- Special program supplies account for another 7% (\$175K). These include special education supplies such as testing materials, hearing aids and other adaptive materials.
- **Equipment.** The district's technology plan was drafted in advance of the 2015 override. Due to changes in technology enabling faster device acquisition, specifically shifting from Macs to Chromebooks, the district was able to pivot to remote learning last year. The equipment budget for next year, totaling \$1.2M, is almost entirely (\$1M) ongoing device leases. The balance is almost entirely projector replacement, and device purchases for when leases are not appropriate.