



The Public Schools of Brookline
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Andrew J. Bott
Superintendent

TO: Brookline School Committee
FROM: Andrew J. Bott
DATE: January 31, 2018, revision February 1, 2018
RE: FY2019 Budget Update

**** REVISION ****

OVERVIEW:

The overall budget request for Fiscal Year 2019 is \$115,122,149, which represents a \$6,233,430 increase over the Public Schools of Brookline (PSB) FY18 budget of \$108,888,719.

The majority of the PSB budget pays for teachers and other personnel. The largest part of the FY19 budget increase is the additional \$3,506,891 required to pay the rising cost of existing staff. This reflects the cost of living adjustments (COLA) of 2% and step and lane advancement of 3% that are collective bargaining obligations for FY19. More employees are moving through steps and lanes than in the past, due to years of experience and the number of new positions added as part of the last override. The second largest component of the increase, \$1,256,121, is for additional staff needed to meet the continuing enrollment growth and maintain class sizes and appropriate ratios for guidance, nursing, English Learner (EL) instruction, and administration. This includes 15.0 FTEs broken down as follows:

- 3.0 FTEs for K-8 enrollment growth
- 7.0 FTEs for BHS to maintain class sizes, given that our enrollment growth has now reached the high school
- 3.0 FTEs for guidance (K-8), nursing, and English language instruction
- 2.0 FTEs for administrative positions, including a second vice principal at Lawrence and an additional administrator for BHS.

The FY19 budget request includes an increase of \$356,386 required to address rising costs for in-district transportation for students with disabilities, increased transportation costs for general education students, and the increased costs of meeting Section 504 (ADA) services. The above listed expenses are those required to maintain our current staffing, programmatic needs, and to meet the additional staffing required due to continued enrollment growth. These costs, which exceed the growth in revenue currently provided to the PSB, are the driving forces of the FY19 - FY21 structural budget deficits.

In order to provide critical new services to students and families, the FY19 budget request also includes \$1,114,032 for strategic new investments. These include investments in educators to lead district-wide equity work, restorative practices, supplies and materials, funds to support response to intervention work, and investments in transportation for Brookline High School.

The increase requested also includes \$200,000 for the Public Buildings Division to address the additional 45,000 square feet being added at Devotion School to the overall inventory of Town and School Buildings that they maintain.

The sections that follow include detailed information with respect to the FY19-21 budget projection. They also include information regarding cuts that will need to be made to achieve a balanced budget in FY19 if additional funds do not become available.

TOTAL REVENUE PROJECTION FY19-21

The Town/School Partnership meeting is scheduled for February 6, 2018. The PSB anticipates (pending updates from Town Administrator’s Office) receiving revenues as outlined below; additional updates will be provided to the School Committee at your upcoming meetings in February.

The change in revenue from prior budget updates this winter reflects the positive impact of the Governor’s FY19 Budget and allocation to Chapter 70, the impact of the recent GIC Board vote, and other identified funds by the Town Administrator’s Office. Please note that this number could change further as the Legislature and the GIC Board deliberate and finalize their budgets for FY19.

Each year the PSB’s School Revenue Offsets line supplements the annual appropriation from Town Meeting with external revenue sources (labeled “School Revenue Offsets”). In the past, these additional revenues have included Materials Fee Tuition, Rental of Facilities, Circuit Breaker, overhead charged to grants and revolving funds, and other revenue. The changes from the FY18 to FY19 School Revenue Offset line result from three material factors. First, the State Legislature reduced the Circuit Breaker reimbursement from the mandatory 75% to 65%. (The Circuit Breaker offset is set back to the prior year claim amount.) Second, as of FY18, all of the \$1,000,000 in reserve available in the Circuit Breaker account as of the close of FY15 was used to help balance the FY17 and FY18 budgets. Third, beginning in FY19, there will be a change in accounting practices with respect to the Rental of Facilities item; going forward it will be treated in a revolving fund. So in the FY19 budget, both the rental of facilities revenue and the corresponding expenditures incurred because we rent our buildings have both been removed from the operating budget and charged directly to the revolving fund.

***** REVISION *****

Revenue Sources	FY 2018	FY 2019	FY 2020	FY 2021
Base Levy/Appropriation - Schools	\$ 101,025,886	\$ 104,758,343	\$ 108,277,430	\$ 111,601,843
Base Levy/Appropriation - Public Bldgs			\$200,000	\$275,000
Town School Partnership Revenue	\$3,732,457	\$ 3,719,087	\$ 3,399,413	\$ 3,634,633
School Revenue Offsets	\$4,130,376	\$ 2,894,081	\$ 2,915,588	\$ 2,937,740
Total Appropriation + Revenue Offsets	\$ 108,888,719	\$ 111,371,511	\$ 114,792,431	\$ 118,449,216
		\$ 2,482,792	\$ 3,420,920	\$ 3,656,785
		2.28%	3.07%	3.19%

TOTAL BUDGET PROJECTION FY19-21:

The overall budget increase requested for FY19 (including related needs in the Public Buildings Division) is **\$6,233,430**. The Town-School Partnership is currently estimated to provide \$3,719,085 in FY19. This leaves a gap of **\$3,750,638*** in FY19 (after netting out **\$1,236,295*** of School Revenue Offsets; see above for full description of School Revenue Offset accounting).

The PSB budget includes assumptions around increases for wages/COLA, steps and lanes, new hires for growth, structural cost increases, maintenance of effort, and strategic new investments. The Public Buildings Division includes increases for opening the Devotion Elementary School. The detail of the additional requests is attached.

School Department Budget (including additional allocation for Public Building Department)

School Department Budget	FY 2018	FY 2019	FY 2020	FY 2021
Public Building Department Budget	<i>Appropriation</i>	<i>Request</i>	<i>Projected</i>	<i>Projected</i>
Personnel	\$94,296,072	\$ 99,258,963	\$105,243,638	\$110,905,706
Services	\$10,511,974	\$ 10,756,860	\$11,196,680	\$11,854,790
Supplies	\$2,052,027	\$ 2,999,312	\$3,426,049	\$3,559,125
Other	\$1,023,580	\$ 1,101,948	\$1,381,948	\$1,669,948
Capital	\$1,005,066	\$ 1,005,066	\$1,005,066	\$1,005,066
Total	\$ 108,888,719	\$ 115,122,149	\$ 122,253,381	\$ 128,994,634
\$ Increase		\$ 6,233,430	\$ 7,131,233	\$ 6,741,253
% increase	4.00%	5.72%	6.19%	5.51%
Steps/Lanes/Wages		x	x	x
New Hires for Growth		x	x	x
Structural Cost Increases		x	x	x
Maintenance of Effort		x	x	x
Strategic New Investments		x		

The following assumptions are embedded in this budget projection (except where otherwise noted):

1. Each Fiscal Year in the 3-year budget projection maintains an average class size of 21 students per classroom.
2. Assumes that physical space is available for expansion of sections needed at all levels. If physical space is not available, funds will be held in reserve to be used when physical space is available
3. Assumes 4.0 unallocated FTEs for special education are restored to the base budget as a reserve against needs that historically arise throughout the year. Each FTE is assumed to cost an average of \$68k + \$12K benefits + 2% COLA + 3% steps and lanes increases.
4. Other assumed ratios:
 - o Department of Public Health School Nurse Ratio 500:1, plus consideration for students with high medical needs (“medically involved”);
 - o American School Counselor Association 250:1;
 - o EL/Other Subgroup 100:1

Budget Obligations and Assumptions for FY20-FY21:

- Maintain additions from FY 2019 budget request listed below
- Continue contractual obligations through FY19 and assumptions for renegotiation for personnel and collective bargaining agreements

- Add FTEs due to K-8 and BHS enrollment growth
- Increase \$300,000/year for contract increases negotiated with DESE for our out-of-district special education tuitions
- The Math Program Review will require an update of curriculum supplies and materials Maintain district professional development program at current funding, plus an additional work day beginning for teachers in FY20
- High School NEASC (New England Association of Schools and Colleges) assessment (one-time funds)

Budget Obligations and Assumptions for FY19:

School Department Request

1. Personnel: **\$4,962,891**
- Cost of Living (COLA)/Steps/Lanes (5.26% increase over FY 18 Personnel Line Item) **\$3,506,891**
 - Reflects the cost of existing Collective Bargaining Agreements and assumptions going forward (2 % COLA, 3% Steps/Lanes)
 - Reclassification and reduction of positions **(\$278,183)**
 - Reclassification of Finance Office position
 - Elimination of position at 2.0 PK-8 FTEs
 - Consolidation of OSS and BEEP registration
 - Continued Maintenance of Effort for Enrollment **\$1,256,121**
 - Classroom Staff = Average 21 students

	FY 2019	FY 2020	FY 2021	3-Year	FY 2022	FY 2023	5-Year
	Request	Projected	Projected	Projection	Projected	Projected	Projection
High School	7	7	11	25	13	3	41
Elementary	3	3	4	10	4	2	16
	10	10	15	35	17	5	57

- FY19: High School Teachers to be distributed based on course registration (7.0 FTE)
- FY19: Elementary Classroom and Specialists to be distributed based on enrollment (3.0 FTE)
- Nurse, Guidance, EL/Other (3 Unit A per each year – average of \$68k + COLA) - Sustains Ratios
 - 1.0 FTE Nurse - FY 19 District-wide
 - 1.0 FTE Guidance - FY 19 K-8
 - 1.0 FTE EL/Other - FY19 K-8

Nurse	1	1	1	3	1	1	5
Guidance	1	1	1	3	1	1	5
ELL/Other	1	1	1	3	1	1	5
	3	3	3	9	3	3	15

- Support Administrator Ratio of 250:1 (Lawrence, BHS)
 - Vice Principal for Lawrence school to maintain ratios equivalent to other elementary schools
 - Associate Headmaster at BHS to address the growing enrollment
- BESA and Custodian for BHS Expansion
 - Additional support for BHS to address the growing enrollment
- Professional Development, Equity, and embedded PD for all employees –
 - 1 additional PD Day per year @ average per diem beginning in FY20
 - 1.0 FTE Director/Coordinator

- 1.0 FTE Administrative Assistant (BESA)
- Restorative Practices (2.0 FTE); two educator-facing FTEs to lead Professional Development supporting use of restorative practices district wide; additional responsibilities to include support for student intervention, bullying prevention and investigations, and use of appropriate disciplinary consequences
- BHS Transportation: fee-based offset plus admin. support (0.50 FTE net of fees)
 - Administrative assistant needed to process fees and registration of students participating in the service
- Pending Contract Negotiations: Paraprofessionals Annual Living Wage Proposal - approximate cost up to \$1600 per paraprofessional

2. Services **\$94,886**

- All accounts level funded (0.90% over the prior year)
- Reduction of Special Education Tuition account due to students aging out (age 22), graduating, and students returning to in district programs
- Transportation
 - In-District Special Education and Contract Increases due to contractual increase and increased ridership
 - Transportation (Regular Ed Contract Increase)
 - BHS Transportation - Fee based Offset: Expansion due to enrollment of service to South Brookline for BHS students
 - BHS Transportation - Fee based Offset (2nd and 3rd bus for before/after/late runs)
 - Athletic Transportation for practice to fields and practice locations beyond high school campus (practices - \$300/day 145 days)
- 504 Services and Supports (non-special education)

3. Supplies **\$897,285**

- Response to intervention programs and practices for general education student materials
- Eliminate external funding of basic textbooks, supplies, materials by parents and PTOs
- Program Review Materials (Supplies and Materials Adoptions for Math and subsequent subjects) Review begins FY19, Adoption FY20.
- Anti-Defamation League peer training for Middle School student materials
- Financial Assistance Policy funding
- Supplies and Materials-Removes Supply lists home and expands with enrollment (per pupil by grade) (add avg. \$125 per student; Range K=\$50 to Gr 9-12 = \$135)
- Base Expense Budget Increase 2.5% CPI for contracts, supplies, and materials (FY 20 and FY21)
- NEASC - BHS Accreditation – Supplies

4. Other **\$78,368**

- Benefits reserve account set to \$0
- Funding Benefit Reserve for all new FTEs not in existence from the prior year. Adds \$11,165 per new/proposed FTE x 50% (assumes only 50% of people in FTEs will take benefits)

5. Capital **No Change**

- No new requests

Public Buildings Division – Schools-related Request

\$200,000

This request addresses the additional 45,000 square feet being added to their overall facility inventory of Town and School Buildings to maintain, using the rate of \$2.80 per square foot to represent utilities and preventative maintenance costs that are required to operate the new Devotion building. These funds were not included in the 2015 operating override. In addition, the school department is working with the Public Buildings Division to identify ongoing maintenance or utility costs related specifically to the use/rental of school buildings that could be charged to the rental of facilities account instead of to the operating budget. Charging off expenditures related to renting our facilities would require an increase in the rental fees to our users, which is a policy decision.

	FY 2018	FY 2019	FY 2020	FY 2021
Public Building Department Budget	<i>Appropriation</i>	<i>Request</i>	Projected	Projected
Personnel				
Services		\$ 150,000	\$ 210,000	\$ 485,000
Supplies		\$ 50,000	\$ 65,000	\$ 140,000
Other				
Capital				
Total	\$ -	\$ 200,000	\$ 275,000	\$ 625,000
\$ Increase		\$ 200,000	\$ 75,000	\$ 350,000

1. Services

- Strategic New Investment
 - Opening Devotion School (\$75,000) - Supplies, services, and maintenance
 - Increasing Services (\$75,000) - Supplies, services, and maintenance

2. Supplies

- Strategic New Investment
 - Opening Devotion School (\$50,000)

PROJECTED NEED FOR ADDITIONAL REVENUE

The PSB’s projected budget need for FY 19-FY 21 will require a revenue increase of **\$10,545,418** as shown in the chart below. This three-year deficit is due to the Town’s revenue growth not keeping up with PSB’s collective bargaining agreements and contracts for personnel and the additional personnel costs and services required to keep up with enrollment growth so we can stay within class size guidance; staff to student ratios in the areas of guidance, nursing, English language learners, and building leadership; and provide appropriate services and materials for students.

Request for New Revenue
**** REVISION****

Expense	FY 2018 Appropriation	FY 2019 Request	FY 2020 Projected	FY 2021 Projected
School Department		\$ 6,033,430	\$ 7,056,233	\$ 6,391,253
Public Building Department		\$200,000	\$75,000	\$350,000
Total Request		\$ 6,233,430	\$ 7,131,233	\$ 6,741,253
Revenue Sources				
Town School Partnership Revenue		\$ 3,719,087	\$ 3,399,413	\$ 3,634,633
School Revenue Offsets		\$ (1,236,295)	\$21,507	\$22,152
Total Town/School Partnership + Revenue Offsets		\$ 2,482,792	\$ 3,420,920	\$ 3,656,785
Total Request for New Revenue		\$ 3,750,638	\$ 3,710,313	\$ 3,084,468

FY 2019 Deficit	\$ (3,750,638)	\$ (3,750,638)	\$ (3,750,638)
FY 2020 Deficit		<u>\$ (3,710,313)</u>	\$ (3,710,313)
FY 2021 Deficit		\$ (7,460,950)	<u>\$ (3,084,468)</u>
			\$ (10,545,418)

REDUCTIONS FOR CONSIDERATION DUE TO LOWER REVENUE

If additional funds do not become available, the PSB needs to make cuts to submit a balanced budget. The following reductions represent \$3,501,568, and 31.1 FTEs, of the necessary reduction of \$3,657,745. This leaves approximately \$31,177 in additional reductions that are yet to be identified. These additional cuts will result in a reduction of additional FTEs in teachers, paraprofessionals, BESA, custodians, and/or unaligned.

Reductions to School-based Staff:

Eliminate from the budget request	\$819,878
Positions eliminated	20

Impact:

- Reduces ability to provide professional development and to support teachers in strengthening instruction in literacy and math by eliminating three instructional coaching positions
- Reduces paraprofessional support in classrooms, limiting paraprofessional supports available for general-education students; increases ratios of adults to students, resulting in less individual attention for students
- Reduces teachers in several schools, increasing ratios of students to adults resulting in less individual attention for students

Reductions to Critical New Investments:

Eliminate from the budget request	\$1,206,475
Positions eliminated	2.5

Impact:

- Limits our ability to respond to conflict and disciplinary infractions through restorative principles
- Eliminates proposed transportation services for BHS students who live in South Brookline and for student athletes; does not address the challenges for South Brookline residents who travel to/from BHS; continues the practice of not providing transportation to off-campus practice locations
- Eliminates funding for increasing targeted support and interventions
- Negatively affects ability to manage large capital projects
- Eliminates new funding for supplies for every classroom and continues practice of relying on parents and PTOs funding basic supplies and materials for our classrooms

Reductions to Student Services:

Eliminate from the budget request **\$465,777**

Positions eliminated **5.6**

Impact:

- Reduction of 1.0 FTE Occupational Therapy staffing; limiting opportunities for student support and intervention
- Reduction of 1.0 FTE Psychologist staffing; Psychologist caseloads increase
- Reduction of 1.0 FTE BCBA (Board Certified Behavioral Analyst) staffing; review and realignment of BCBA caseloads to focus more exclusively on students with IEPs resulting in less BCBA support for general education students; decreases intervention support
- Administrative workload increases for current administrative support staff (BESA) staff in OSS; delayed response time in responding to families
- 2.0 FTE reduction of START (Students Together Achieving Resiliency Today) classroom; loss of programming to support fragile adolescents (grade 6-8) to provide stabilization upon reentry from out-of-district evaluation and hospital settings

Reductions to School, Teacher, and Family Support:

Eliminate from the budget request **\$441,405**

Positions eliminated **3.0**

Impact:

- Reduces professional development release time for teachers, decreasing the amount of job embedded professional development
- Limits ability to coordinate curriculum, conduct program reviews, and effectively roll-out curriculum or program changes; impacts the implementation of math program review recommendations and recommendation of future program reviews
- Limits capacity to provide equitable opportunities and a guaranteed curriculum for all students
- Limits district outreach and communication to families
- Reduces ability of schools to support families with registration, outreach, communications and access to student records, delayed response time to families
- Reduces ability of school department to respond to growing requests for student learning data that supports intervention, enrichment and student achievement

Reductions to Technology:

Eliminate from the budget request **\$275,000**

Positions eliminated

Impact:

- Postpones \$275,000 in technology purchases (pre-purchased); this practice raises the potential for falling behind on the additions and replacements necessary to maintain the current ratio
- Eliminates vacant Digital Learning Specialist position; impacts support for/response time to schools with use of Google Classroom, Canvas, and other digital learning tools
- Maintains reduction in supplies introduced in FY2018 (\$151,000)

Additional Reductions:

Eliminate from the budget request

*\$418,033**

Positions eliminated

Impact:

- Savings related to turnover and transition
- Transfers from Town Benefit Appropriation
- Reduction of Public Building Allocation from \$200,000 to \$75,000

Restoration for Consideration as Funds Become Available

Through the course of continued, responsible budget management, the following positions will be considered for restoration should available funds be identified:

- 3.0 FTE in Student Services
 - Restoration of student services positions which provide response to intervention support to general-education students in grades K-8
- 2.0 FTE in School Based Staff
 - Restoration of 2.0 FTE reduction in school-based staff reductions. Positions would be restored in K-8 schools
- 1.0 FTE in Reductions to School, Teacher, and Family Support
 - Restoration of Senior Director of Teaching and Learning K-8