

The Public Schools of Brookline
PLANNING GUIDELINES AND PRIORITIES for the
SCHOOL BUDGET, 2010-2011

Introduction

In accordance with its responsibilities, the Brookline School Committee (BSC) works with the Superintendent and Senior Staff to articulate its goals and priorities for the coming fiscal year so as to provide the Superintendent and his staff with clear parameters for developing a new budget. This year we have the advantage of our completed Strategic Plan, which frames the agenda for the district and establishes our overriding purpose of improving the achievement of all students in our public schools. At the same time, the BSC recognizes that the continuing fiscal stress from the now deep and persistent recession, combined with the pressure on our resources from extraordinary growth in our elementary enrollments and the costs of out-of-district special education placements, places greater urgency than ever on us to articulate our core priorities and to draw clear parameters for guiding what will be very difficult budget choices.

In the most robust of times, balancing the budget can be challenging. But the fiscal crisis of 2008-2009, combined with a successful override of Proposition 2 1/2 and the Public Schools of Brookline's (PSB's) own programmatic objectives, layered significant expectations as well as unexpected challenges on top of that already difficult job. The deteriorating economy led the State to cut current fiscal year funds three times in FY '09, requiring us to allocate the entire \$600K contingency funds in FY '10 to cover the deficit. Current fiscal year cuts have continued into this year, leaving us with a projected current year shortfall in excess of \$1,000,000 as we begin budgeting for FY '11. A Master Plan for Facilities correctly predicted substantial future growth in enrollments and an urgent need to move forward with facility expansion that is currently expressed in the plans to renovate and expand Runkle School, as well as a possible expansion of Heath School plus other sites – all in the next two or three years.

The PSB is also in the midst of programmatic growth and leadership changes. The publicly supported override enabled us to implement a longer school day district-wide and put in place a strong and well-received K-6 World Language program. The district restructured K-8 special education with the goal of improved services and lower costs. During this time the BSC and schools administration also fleshed out and began to implement the new Strategic Plan.

We commend the PSB Administration for its strong performance in the above-mentioned areas and observe as well the following progress and/or success:

1. The School Committee is pleased and grateful that the town and the town's unions reached agreement on entering the Group Insurance Commission (GIC) in FY '11.
2. As noted above, the Superintendent and his staff designed and implemented an innovative new approach to special education administration and learning with the ultimate objective of improving student achievement while controlling costs.
3. The Runkle School renovation is on track, after rigorous and transparent discussions throughout our community with State reimbursement committed at 41.58%.
4. Collaboration with the Town and deft handling of the relationship with the Massachusetts School Building Authority (MSBA) opened the door to submit a new Statement of Interest that may allow us to respond to the urgent space needs in the elementary grades.
5. The system has embarked on two major innovations designed to impact the classroom: Instructional Rounds and the Landmark Partnership. Instructional Rounds is a professional development endeavor to facilitate classroom observations by teachers and administrators around a problem of practice identified by the school. This program will be piloted in a number of schools in partnership with Harvard Graduate School of Education consultants. The Landmark Partnership is a collaboration between faculty at the Landmark School and the Lawrence School. Landmark faculty provide professional development for Lawrence classroom teachers and special educators, so that they can more effectively meet the learning needs of all students in their classrooms.
6. The elementary faculty implemented a new mathematics curriculum (Think Math) in grades K-5 and have begun implementation of another curriculum (Impact Math) for grades 6-8.
7. Curriculum Coordinators and teachers throughout Brookline have made significant progress in revising and updating our learning expectations. We have developed grade-level assessments consistent with our learning expectations and curriculum materials in all grades and multiple subjects. Assessment development continues as learning expectations are revised.
8. The new Director of Data Management has made enormous strides in developing data systems (the long-awaited "data warehouse") to enable teachers and the administration to monitor and assess student and system progress on key objectives of the strategic plan.
9. The School Lunch program has performed in the black for a year, and shows continued strength.
10. The Adult and Community Education Program has reduced inefficiencies and significantly narrowed its operating deficit.

Given the enormity of the fiscal challenges in the current and coming year, we also face the following budget challenges:

1. The State will likely make additional cuts in support, possibly in the current fiscal year and anticipated for FY '11, continuing the pattern of the past two years;
2. Our FY '11 budget will reflect the reduction of federal government stimulus budget support (some of which has already been applied to FY '10) and the elimination of federal stimulus funds thereafter;
3. As noted above, the elementary student population will continue to grow as the historically large early elementary grades move through the system, causing significant operating and capital budget pressures;
4. State reimbursements for special education may continue to decline, placing even more pressure on our local budget;
5. With no agreements over the summer, we are in ongoing negotiations for current year contracts;
6. Current and anticipated shortfalls will require us to dedicate significant funds to the following areas:
 - a. the aforementioned current year operating deficit of \$1 million;
 - b. future retiree health care costs [the Other Post-Employment Benefits (OPEB) issue] as delineated by the Override Study Committee and OPEB Taskforce;
 - c. operating revenue reductions due to escalating Town pension costs beginning in 2012 (The substantial costs of pensions, which are moral and legal obligations that must be met, will reduce available operating revenues because recent declines in the value of invested pension funds will force the use of operating revenues for this purpose.)

Budget Priority Areas

Even – or perhaps especially – in light of current year shortfalls, and acknowledging unpredictable levels of continued financial upheaval, the BSC is committed to continuing the district's progress on a number of fronts. With the likelihood of significant cuts in spending, we may have to slow our progress, but we reject the possibility of losing ground. The following, therefore, reflects a tactical narrowing of our priorities so that we may keep our overall strategic direction and initiatives intact. To do that, we establish the following as top priorities for FY '11:

1. Ensure a Culture of Continuous Improvement
 - a. Continue to implement recommendations arising from Program Review, with particular attention to collaborative innovation, supports to teachers implementing changes, and professional development tied to those recommendations.

- b. Maintain the longer school day and the K-6 world language program. The BSC is committed to these system-wide improvements financed by the '08 taxpayer override and considers them part of the core learning environment and approach of the PSB.
 - c. Continue looking for new approaches (curricular and administrative) that emphasize structural efficiency while improving the learning environment. (e.g., the changes made during this year in structure and staffing of K-8 Special Education)
 - d. Continue progress on the collection, use and sharing of relevant data that support our understanding of our progress on the Strategic Plan, especially goals on educational equity.
2. Space Planning and Class Size
- a. Ensure that current use of space and changes or plans for new or renovated facilities anticipate future (i.e., multi-year) PreK-12 space needs and support, whenever possible, historical class size limits of 22-24 in grades K-3 and no more than 25 in grades 4-12.
3. Protect Program Basics to Enable Rebuilding
- a. Ensure that adjustments in the scope of PSB discretionary programs, if necessary, do not foreclose the option of re-establishing and growing those programs back to health if and when revenues revive.

Identifying Potential Savings and Maintaining Good Budgeting Practice

The School Committee commends its teachers and staff for their ongoing commitment to excellence in the PSB despite the unprecedented pressures of the resource environment. We also appreciate the willingness of the Town to act as a partner with the Schools in addressing the challenges that have affected all aspects of Brookline's services. We are mindful that the coming months, if not years, may well continue to bring bad fiscal news rather than the hoped-for relief.

It is especially important in times of extreme fiscal stress that the PSB always look for ways to improve fiscal oversight and budgeting practice so that opportunities for potential savings are not lost. We urge the PSB Administration to continue being creative in finding new approaches to revenue enhancement and expense reduction that maintain the quality of our services. We appeal to the entire community, parents, citizens and staff alike, to share with our Administration or with this Committee your ideas regarding prudent resource conservation.

Based on this environment, the Administration will:

- i) Balance the proposed budget based on conservative estimates of additional reductions in state revenues available to our district;
- ii) Continue to support building maintenance costs;
- iii) Budget adequately for contingency funds;
- iv) Plan for the end of stimulus (ARRA) emergency funds after FY '11 as well as the need to rebuild depleted one-time funds;
- v) Sustain major investments made possible by past overrides;
- vi) Continue the positive trend towards eliminating revolving fund deficits;
- vii) In budget reporting, explain the impact of employee benefits such as healthcare, pension, sick and administrative day liability, and contributions (if required) to the OPEB fund.¹

¹ We note that the Town has recommended, and the BSC concurs, that 100% of new revenues generated from the Town Meeting-approved local restaurant and hotel taxes be devoted to our anticipated pension obligation gap resulting from reduced market returns. Additionally, through the Town/School Partnership, the schools will continue to participate in scheduled increases in contributions to a separate OPEB fund.