

FY16 Budget Discussion

School Committee
February 11, 2015

Agenda

- Strategic Plan & Goals
- Budget Objectives
- Context: Pressure Points on District
- Financial Task Force Assumptions
- Available Revenue Budget

FY 16 Budget Discussion

Belmont Public Schools Strategic Goals

1. To prepare all students for college, career, and life-long learning...
2. To support continuous improvement and overall programmatic and fiscal stability...
3. To ensure that students receive instruction from consistently highly qualified educators who pursue continuous improvement of their art...

FY16 Budget Discussion

Belmont Public Schools Budget Goals

- Maintain the rigorous and high quality of instruction and student engagement for all students
- Maintain the staffing levels commensurate to the increase in enrollment needed to provide the existing quality of educational services to our students
- Maintain the well rounded education comprised of rigorous academics, strong performing arts, high participation in athletics, and extra-curricular experiences
- Maintain Belmont as a Level One District
- Maintain and support the continuous improvement of our staff through professional development

FY16 Budget Discussion

Current Pressure Points on District

- Increasing enrollment at all grade levels throughout the district
- Address Deficit Drivers that have resulted in:
 - Second fiscal year with a deficit (over \$500,000 in FY15), despite employment of cost saving measures each year
 - Fourth fiscal year of budget “freezes” for schools in since FY11
 - Use of all identified one time funding options
- Increasing needs to support all students to access curriculum and maximize potential through Social/Emotional Learning (SEL) programs, supports, and curriculum

Pressure Point #1 - Enrollment: Aggregate Increase over 5 Year Period

	Oct. 1, 2009	Oct. 1, 2010	Oct. 1, 2011	Oct. 1, 2012	Oct. 1, 2013	Oct. 1, 2014
BPS K-12 Enrollment	3905	3877	3900	3994	4136	4222
Difference, year to year		-28	23	94	142	86
				Difference, 2009 to 2014		317

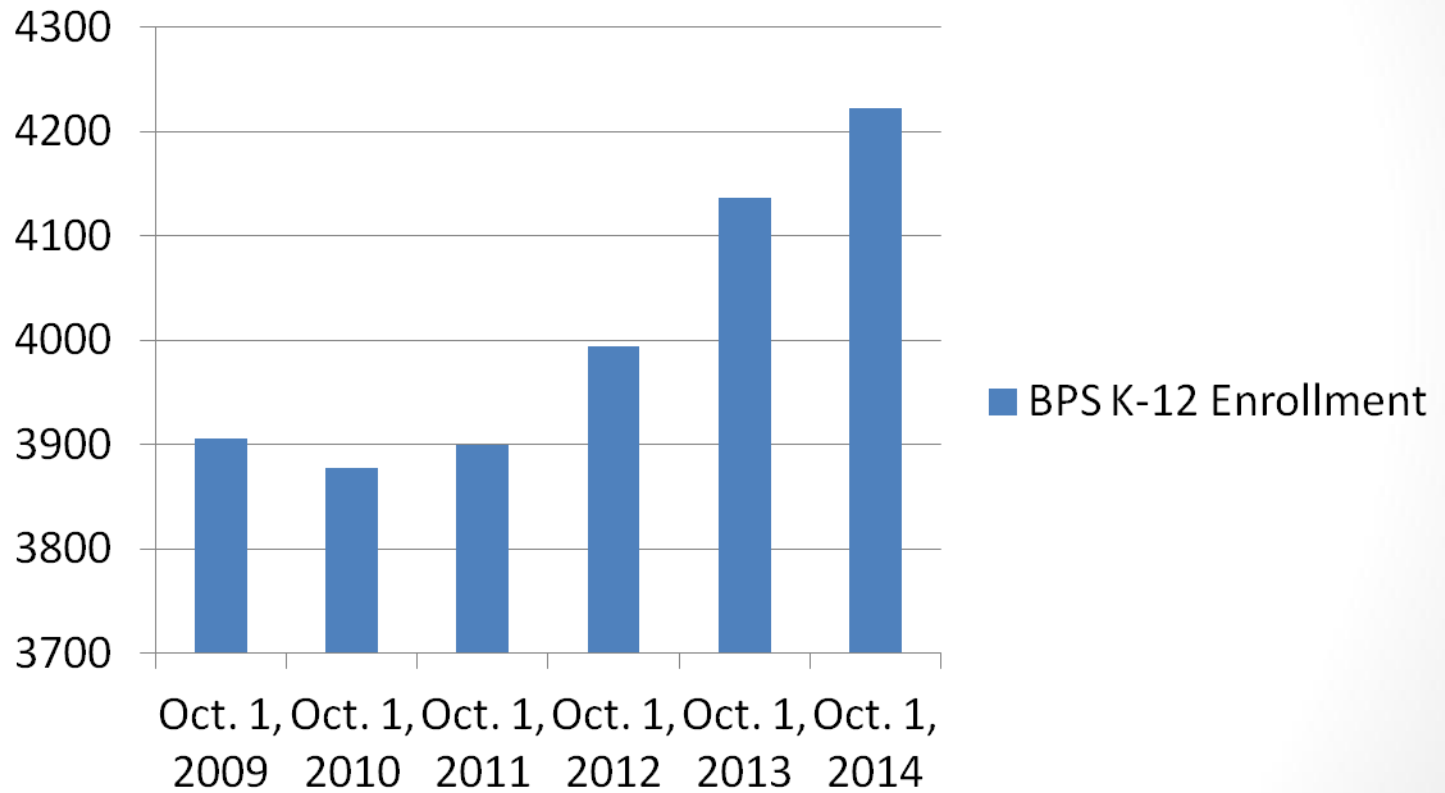
Pressure Point # 1- ENROLLMENT:
 Aggregate Increase * Projection over
 the next 5 Year Period

	Oct. 1, 2009	Oct. 1, 2010	Oct. 1, 2011	Oct. 1, 2012	Oct. 1, 2013	Oct. 1, 2014	Oct. 1, 2019
BPS K-12 Enrollment	3905	3877	3900	3994	4136	4222	4630
Difference, year to year		-28	23	94	142	86	
			Difference, 2014 to 2019				408
			<u>Difference, 2009 to 2019</u>				<u>725</u>

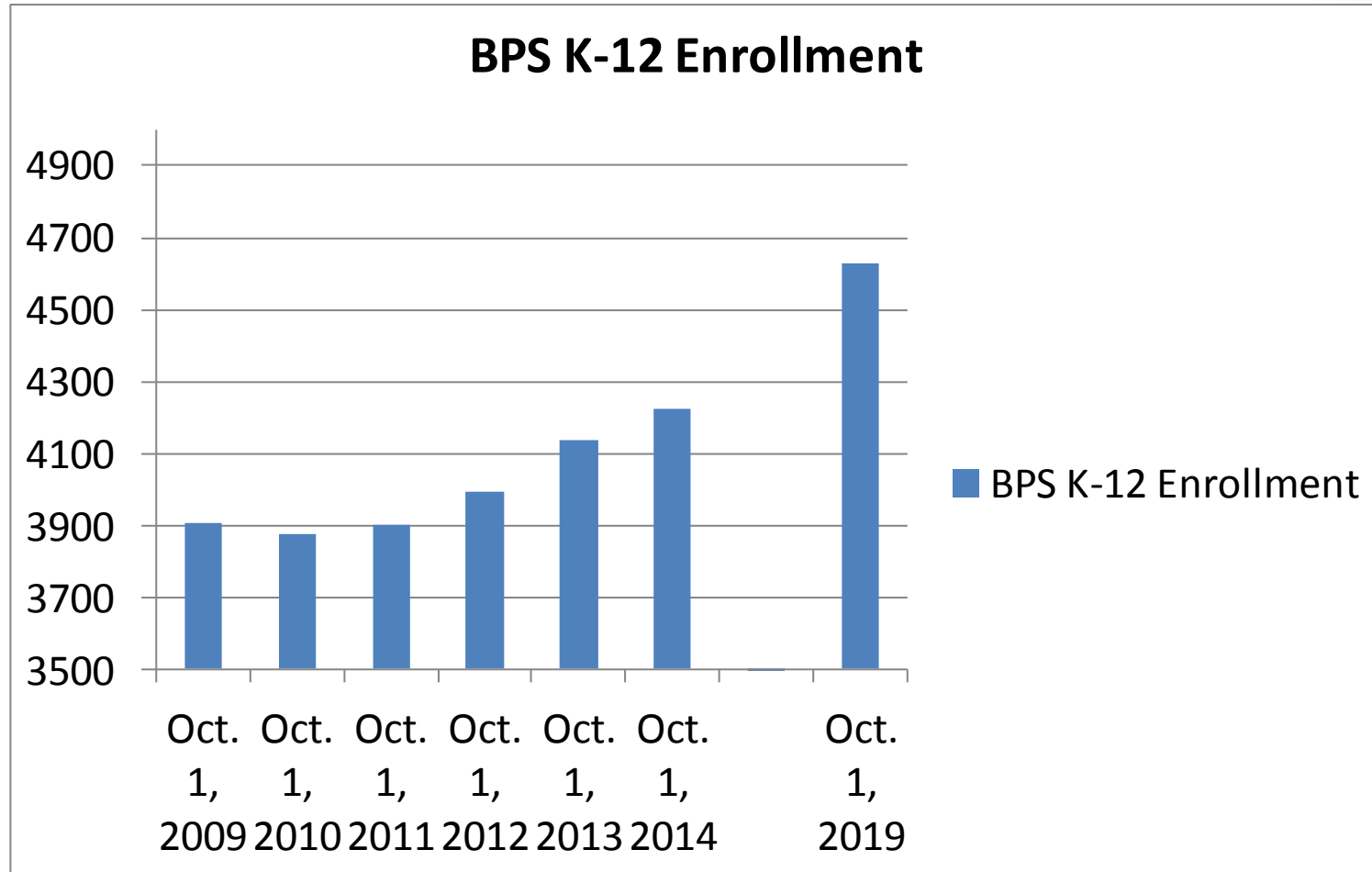
* Enrollment Projections based on NESDEC Plus 30 Index

**Pressure Point # 1 – Enrollment:
Aggregate Increase Over 5 Year Period**

BPS K-12 Enrollment



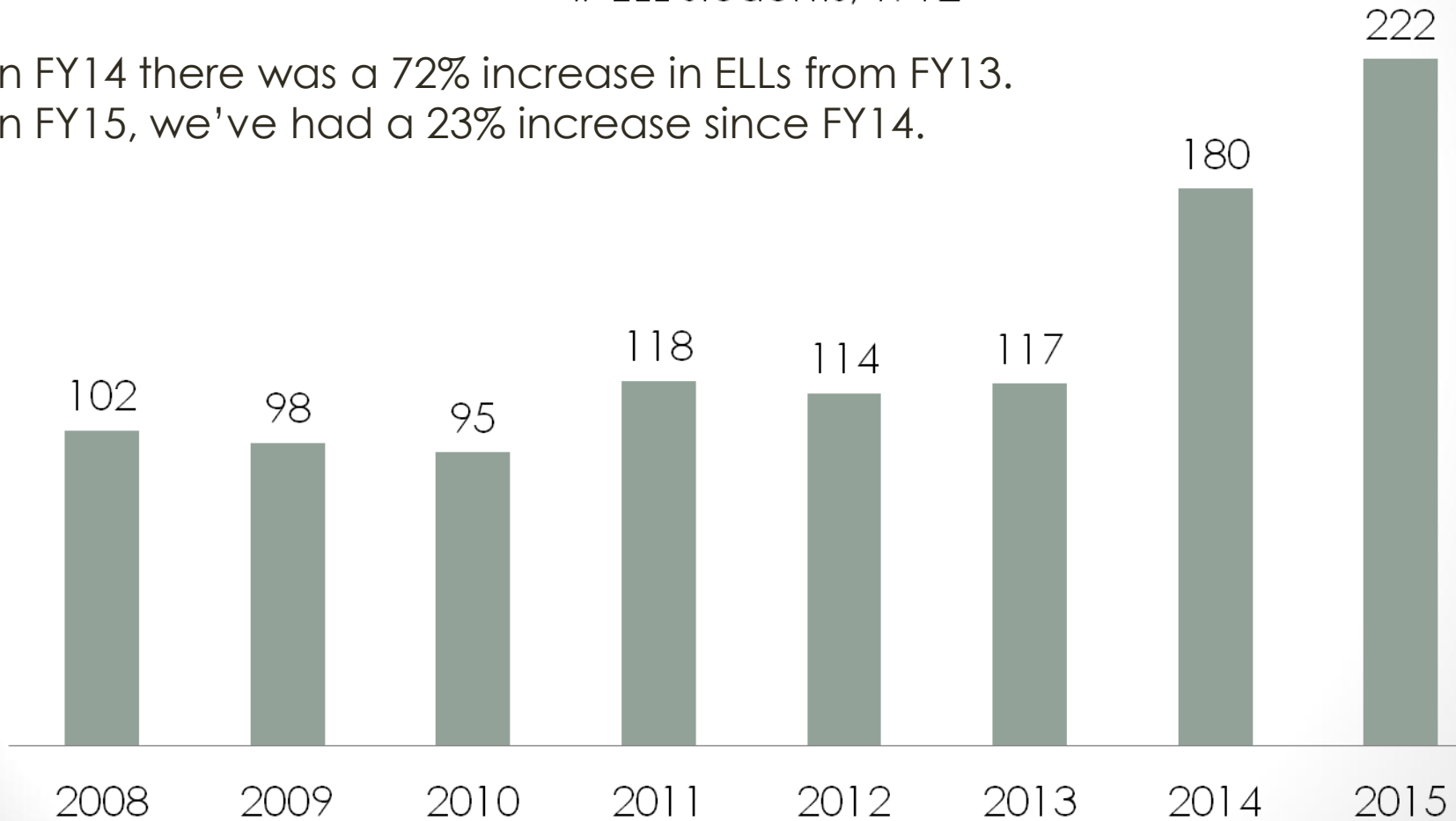
Pressure Point # 1– Enrollment:
Aggregate Increase Projection over the
next 5 Year Period



Pressure Point # 1 - ENROLLMENT: Emerging Sub Group Populations: ELL Enrollment, FY08-FY15

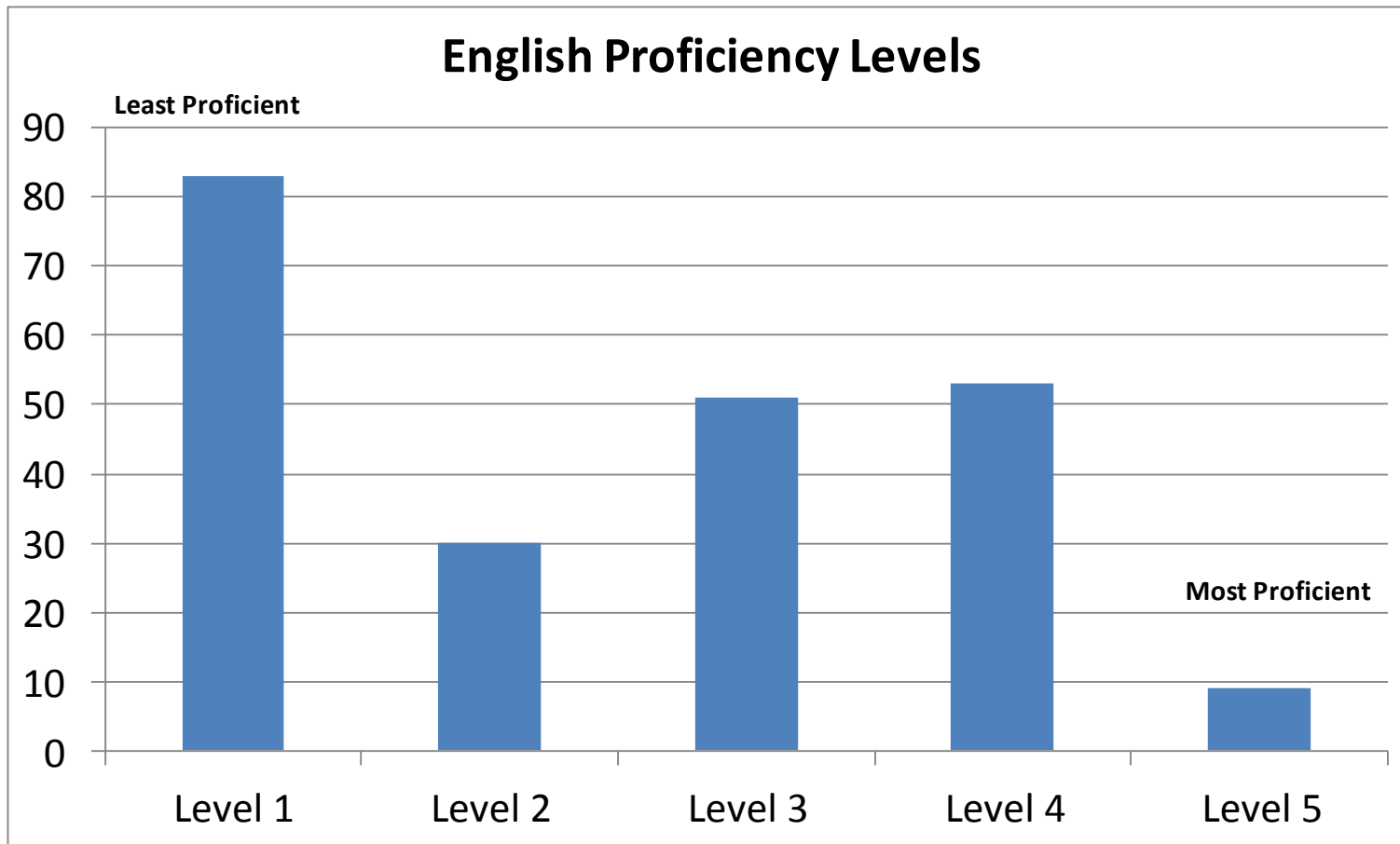
■ # ELL students, K-12

In FY14 there was a 72% increase in ELLs from FY13.
In FY15, we've had a 23% increase since FY14.



Pressure Point #1 - ENROLLMENT:

ELL Proficiency Levels, FY15



It is state mandated that **Level One students** receive 2.5 hours of small group instruction each day.

Pressure Point # 1- ENROLLMENT:

Out of District (OOD) 2012 through January 2015

Year	June, 2012	June, 2013	June, 2014	January 20, 2015	
# of OOD Students	91	81	87	95 (5 students currently awaiting evaluations / meetings)	

Financial Impact:

- The average cost per OOD pupil is approximately \$65,000 per student inclusive of transportation
- The average range of the cost per OOD pupil is from \$50,000 - \$150,000 per student, inclusive of transportation

Pressure Point # 2:CURRENT DEFICIT

- The Belmont Public Schools currently has a projected deficit of approximately \$500,000 – despite cost saving measures implemented in November 2014
- The Belmont Public Schools has experienced deficits in each of the last two fiscal year (FY14 & FY15)
- The Belmont Public Schools has employed budget “freezes” and reduction measures in four of the last five fiscal years (FY11, FY13, FY14, FY15)

Pressure Point #2: CURRENT DEFICIT

The Belmont Public Schools has exhausted all available funds to combat annual budget short falls

- In previous years these line items have received supplemental funds through LABBB credits
- There are no projected LABBB credits available in FY16
- Circuit Breaker funds allocated by the state for OOD expenses have been fully expended
- Revolving Accounts balances were depleted in FY14
- Funds needed in FY14 from the Reserve Fund to address deficit

** All exhausted funds (some one time funds) have created an annual structural deficit

Did You Know: EFFICIENCIES

Does the Belmont Public Schools look to engage in any cost saving measures? – Yes

- BPS take part in several multi-town “collaborative” initiatives to gain efficiencies in areas like:
 - ✓ special education services; special education transportation partnering with LABBB
 - ✓ bulk purchasing of supplies, bulk purchasing of power, gasoline, natural gas partnering with EDCO
 - ✓ professional development services partnering with EDCO
 - ✓ Converted Belmont High School to natural gas (from oil)

Did You Know: COLLABORATION

Do the schools collaborate with other Belmont Town departments? Yes

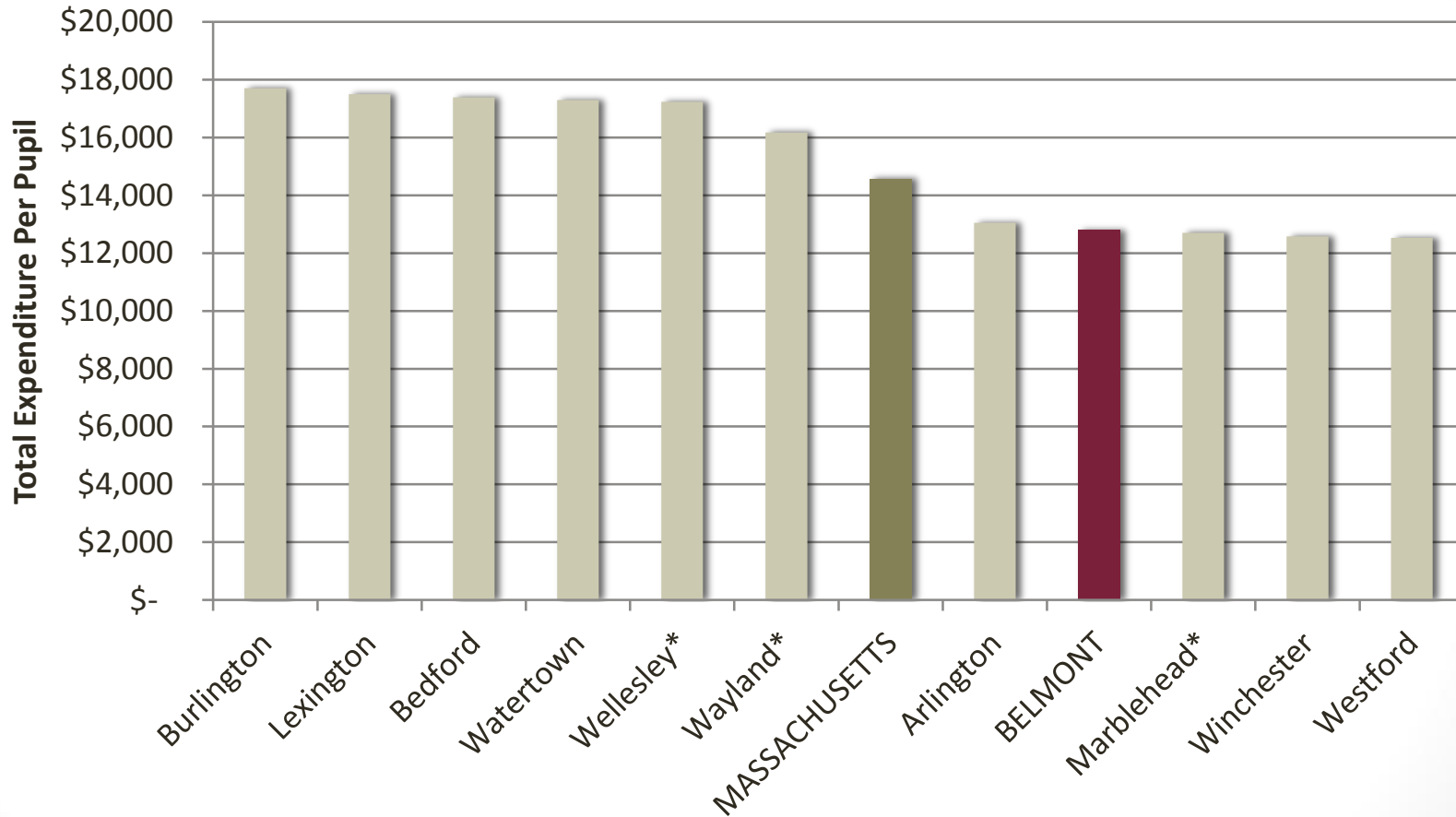
- The Belmont Public Schools works toward efficiencies with our Town Partners – Through:
 - ✓ Creation of a Town-Wide Facilities Department
 - ✓ History of strong relationships with the DPW and Highway Department
 - ✓ Providing space for Park and Recreation Department events
 - ✓ Partnering with the Police and Fire Departments on Safety and Security Committee
 - ✓ Participation in the Green Communities Initiative

Did You Know: FACTS AND TRENDS

- According to the Department of Elementary and Secondary Education (DESE) FY14 reported the state average per pupil expenditure at \$14,571
- The DESE reported the Belmont Public Schools average per pupil expenditure at \$12,799
- The difference per pupil is \$1,772
- That means – if the BPS budget was funded at the state average per pupil amount our budget would increase by \$7,773,764

Belmont Per Pupil Expenditure is 12% below the state average and among the lowest of our FTF comparable towns

Total Expenditure Per Pupil (FY14 Preliminary)



Note: *FY13 data used for Wellesley, Wayland, and Marblehead as no preliminary FY14 data is currently available
Source: Mass DESE (<http://www.doe.mass.edu/finance/statistics/ppx14.html>)

FY16 Budget Discussion

Two Budget Options:

- Financial Task Force Assumptions
- Available Revenue

Financial Task Force Budget

The Belmont Public School Department fully supports the Unanimous Vote of the Financial Task Force to adopt the Financial Task Force Recommendation

FY16 Budget

Financial Task Force Assumptions

- A Three Year Financial Plan was developed by the Leadership Council for the Financial Task Force
 - Key Components:
 - Address increase in enrollment
 - Address Budget Deficit Drivers
 - Corresponding increases in special services budget lines

FY16 Budget Financial Task Force Assumptions

- Three year plan:
 - Increase staff to address the needs with increase enrollment, SEL supports and safety
 - Address the Deficit Drivers by funding alignment in the following budget lines that support:
 - Contracted Service mandated expenditures
 - Increase in Out of District mandated expenditures
 - Transportation
 - Address the one time funding issue that resulted from the expenditure of LABBB credits in FY15

FY16 Budget

Financial Task Force Assumptions

Level	Year One (SY 15/16)	Year Two (SY 16/17)	Year Three (SY 17/18)
Elementary	1.0 Grade 4 Teacher (Wellington) * 1.0 Kindergarten Teacher * 1.0 Grade One Teacher *	1.0 Grade 2 Teacher	1.0 Grade 3 Teacher
Middle	1.0 Grade 5 Teacher * 1.0 Unified Arts Teacher(s) *	1.0 Unified Arts * 1.0 Guidance Counselor * #	
High	3.0 FTE's for Reduction of non - engaged/non-scheduled students *	1.0 FTE Reduction of non- engaged/non-scheduled students * 1.0 Guidance Counselor *#	1.0 FTE Reduction of non- engaged/non-scheduled students *
DW	2.0 English Language Learner Teachers*		1.0 Technology Back * 1.0 Instructional Technology Specialist* 1.0 SEL Staff Person *
Total FTE Count	10.0	5.0	5.0
	(*) Indicates <u>Enrollment</u> need (#) Indicates <u>SEL</u> need		

FY16 Budget

Financial Task Force Assumptions

- ✓ The Financial Task Force funds will maintain a level service for our district
- ✓ The increase in funds will bring the budget to a level that is commensurate with the increase in demands brought on by the overall increase in enrollment

FY16 Budget Discussion:

Available Revenue Scenario

FY16 Available Revenue Budget Discussion: Paying the Bills

Pay for all state and federally mandated programs:

- Pay state mandated contracted service bills
- Pay state mandated Out Of District bills
- Pay state mandated transportation bill (regular and van service)
- Hire two state mandated ELL teachers

Address Belmont Public Schools internal needs:

- Hire additional Grade 4 teacher to serve the rising grade 3 cohort at the Wellington School
- Roll our current staffing level forward
- Account for the one time funds used through the use of LABBB credits in FY15

FY16 Available Revenue Budget Discussion: Mandated Expenses and Contractual Obligations

\$ 46,156,000	FY15 Voted Budget
\$ 1,200,000	Contractual Obligation
\$ 275,000	One time LABBB Credits (not available in FY16)
\$ 425,000	Increased Contracted Services
\$ 205,000	Increased Special Education Transportation
\$ 130,000	State Mandated ELL Teachers
\$ 65,000	Grade 4 Teacher - Wellington
\$ 365,000	Increased Out of District Cost Increase
\$ 127,000	Increased Temp Wages
\$ 155,000	Health Ins. Incr. (Incl. 3 New Teachers)
\$ 60,000	Utility Costs
\$ 49,163,000	Examples of major FY16 Expenditure Needs

FY16 Available Revenue Budget Discussion:

Identified Shortfall

\$ 46,156,000	FY15 Voted General Budget
<u>\$ + 1,301,000</u>	FY16 School Allocation
\$ 47,457,000	Total Projected FY16 School Allocation
<u>\$ - 49,163,000</u>	FY16 General Budget Needs (Not FTF)
(\$ 1,706,000)	Available Revenue FY16 Shortfall

Available Revenue Impact

- Given Available Revenue of \$1,301,000 for FY16; combined with the need to expend funds on the mandated functions and rolling over staff results in a \$1,706,000 shortfall
- The Leadership Team is discussing and determining what specific reductions will take place with a \$1,706,000 shortfall is implemented
- At this point we have six broad categories of reductions and amounts as guidelines for this work

Available Revenue Impact Preliminary Amounts by area

	Projected Amount
Cut Approximately 22 Positions (Administrators, teachers, aides, facilities staff)	\$1,306,000
Reduce Instructional Materials and Supplies	\$150,000
Reduce Professional Development	\$50,000
Reduce Facilities Department	\$80,000
Increase in Fees for Rentals	\$85,000
Increase in Student / Family Fees (Athletics, Full Day Kindergarten, Clubs)	<u>\$35,000</u>
Total Cuts and Reductions	\$1,706,000

* Detailed reduction list will be published by February 24th

Available Revenue Impact

Given the substantial deficit all levels of the district will be negatively impacted.

- Class size will continue to increase at all levels of the district
- Potential for program elimination
- Increase in the number of middle school students not engaged (in auditorium for study halls)
- Increase in the number of high school students not engaged (on benches in the hallway)
- Student learning outcomes will be negatively impacted

FY16 Budget Crossroads

❑ The Town of Belmont can support the Financial Task Force Recommendation

Or

❑ The Town of Belmont can implement the Available Revenue Budget and face \$1.7 million in cuts to the school budget