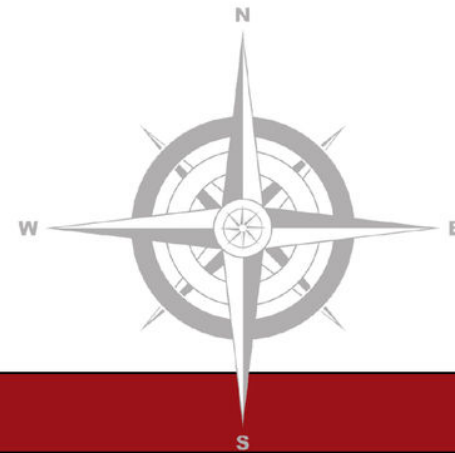


FY'21 Administration's Recommended Budget

**Presented to the
Wellesley School Committee
December 10, 2019**

WELLESLEY PUBLIC SCHOOLS

Learning • Caring • Innovating



FY'21 Budget Proposal

- Budget Guidelines
- Special Education Funding Philosophy
- Budget Process
- Budget Drivers
- Budget Request
- Questions

Budget Guidelines

Revenue Option 1	FY'20 Appropriation	\$76,783,930
	3.50% Increase	<u>\$2,687,438</u>
	<i>New Available Revenue with Option 1</i>	<i>\$2,687,438</i>

Revenue Option 2	FY'20 Appropriation	\$76,783,930
	3.50% Increase	\$2,687,438
	Spec. Ed. Appropriation	<u>\$664,203</u>
	<i>New Available Revenue with Option 2</i>	<i>\$3,351,641</i>

Revenue Option 3	FY'20 Appropriation	\$76,783,930
	4.25% Increase	\$3,263,317
	Spec. Ed. Appropriation	<u>\$664,203</u>
	<i>FY'21 Available Revenue with Option 3</i>	<i>\$3,927,520</i>

Budget Guidelines

Revenue Option 4		
	All Salaries	\$68,817,105
	Expenses for Instruction, Administration, Operations	<u>\$3,489,887</u>
	Adjusted FY'20 Appropriation	\$72,306,992
	Modified 3.50%	\$2,530,745
	Spec. Ed. Appropriation	<u>\$664,203</u>
	<i>New Available Revenue with Option 4</i>	<i>\$3,194,948</i>

Budget Guidelines - Spec. Ed.

School Committee Guideline: The budget should also include an additional amount that will address the changes in defined special education costs between FY'20 and FY'21 for the following categories:

Special Education Additional Appropriation	
Category	Amount
Caseload Driven Staff	\$0
Transportation	\$5,185
Out-of-District	\$434,469
Reduction of Circuit Breaker Offset	\$224,549
Total	\$664,203

Budget Guidelines - Historical

Fiscal Year	Town Guideline	School Committee Guideline	Approved Budget Increase
FY'14	2.80%	2.90% / 4.20% / 4.70%	3.48%
FY'15	1.75%	Override Year	5.63%
FY'16	4.00%	4.50%	4.98%
FY'17	4.00%	4.00%	4.25%
FY'18	3.50%	4.50%	3.49%
FY'19	3.50%	4.00%	3.44%
FY'20	3.00%	3.65%	3.37%
FY'21	3.50% + Spec. Ed.	Option 1: 3.50% Option 2: 3.50% + Spec. Ed. Option 3: 4.25% + Spec. Ed.	

Special Education Funding: Our Approach

- Isolate variability of special education revenue and expenses / reduce impact on general ed. budget
- Budget based on known expenses:
 - Out-of-district placements
 - Transportation
- No reserves are included in the FY'21 Budget Request
- If needed, seek a supplemental fund for unanticipated costs
- Maintain Spec. Ed. Reserve/Stabilization balance

School Based Medicaid Program (SBMP)

- Medicaid is a federally-funded medical insurance program administered through MassHealth in MA
- Districts can seek reimbursement for certain medically necessary services provided only to students who have MassHealth insurance
- WPS began participating in the SBMP in FY'17

School Based Medicaid Program and WPS

- The Town has recouped funds each year.
 - FY'17: \$31K
 - FY'18: \$179K
 - FY'19: \$116K
 - FY'20: \$13K (year to date)

- At Annual Town Meeting (ATM), these receipts are transferred to the Special Education Reserve/Stabilization Fund

School Based Medicaid Program and WPS

- Significant changes implemented on July 1, 2019
 - oversight and audit exposure
 - new documentation and compliance requirements
 - IEP no longer sufficient documentation
 - significant change in practice for staff

- District is no longer able to comply with these stringent program requirements and will no longer be able to participate in the program

Special Education Reserve / Stabilization

Fiscal Year	Revenue	Expense	Balance
FY'18	\$108,000	\$1,887	\$106,113
FY'19	\$662,978	\$8,337	\$760,754
FY'20 Estimated	\$93,237	\$485,545	\$368,446
FY'21 Proposed	\$483,007	\$0	\$851,453

We anticipate using Reserve / Stabilization funds to cover a current year Special Education deficit (approximately \$483,007).

We recommend the replenishment of the Reserve Fund in the amount we anticipate using in FY'20 - \$483,007. With no anticipated future School Based Medicaid receipts, replenishments will need to be built into the annual budget process.

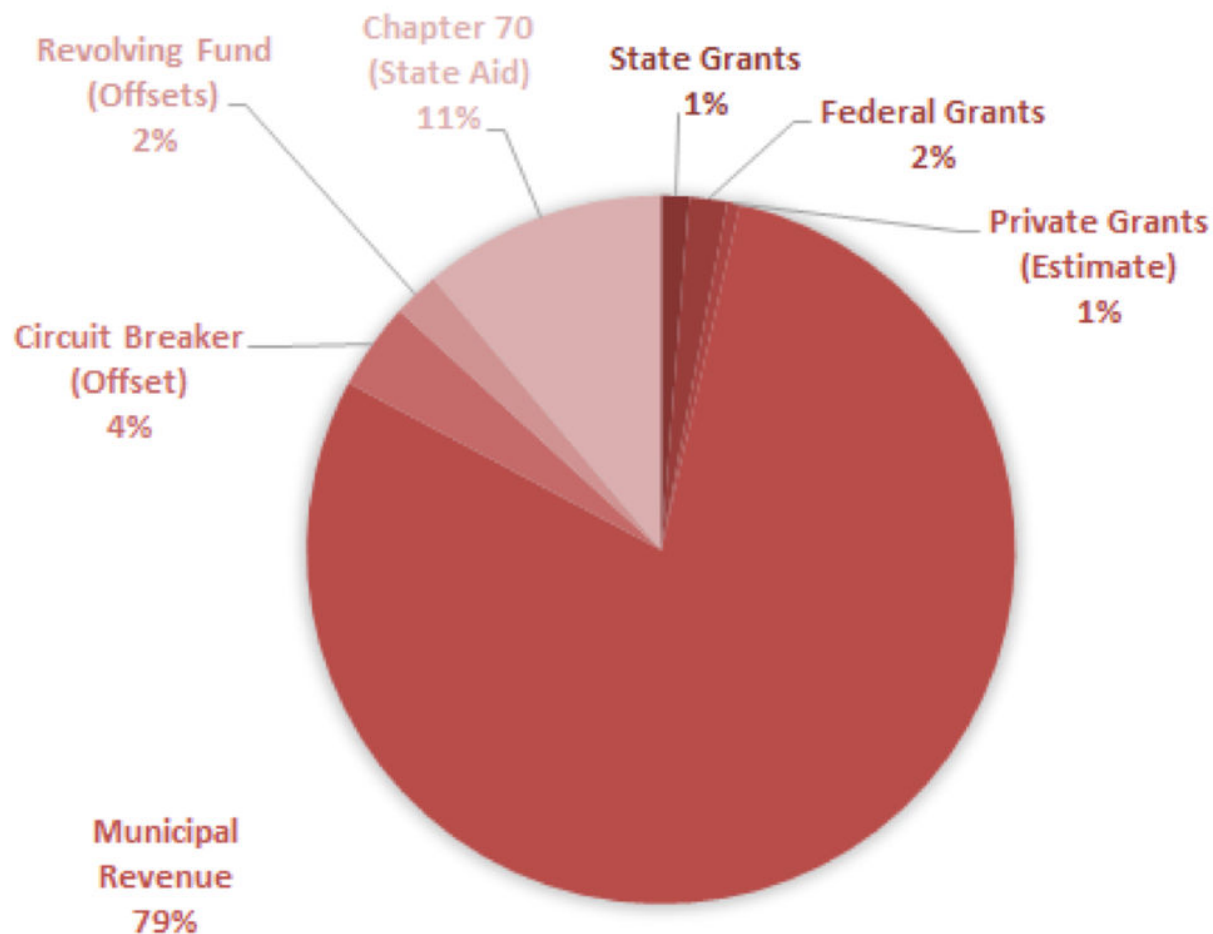
FY'21 Budget Request

Category	Salary	Health	Expenses	Total	% Change	% Change Cum.
FY'20 Adjusted Budget	\$68,817,105	\$0	\$7,966,825	\$76,783,930		
FY'21 Level Service	\$2,633,910	(\$40,000)	\$787,741	\$3,381,651	4.40%	4.40%
FY'21 Strategic Plan	\$104,663	\$20,000	\$0	\$124,663	0.16%	4.56%
FY'21 Other Critical Need	\$90,162	\$22,500	\$38,199	\$150,861	0.20%	4.76%
Sub-Total	\$71,645,840	\$2,500	\$8,792,765	\$80,441,105	4.76%	
Spec. Ed. Funds	\$0	\$0	(\$664,203)	(\$664,203)	(0.87%)	
Total	\$71,645,840	\$2,500	\$8,128,562	\$79,776,902	3.90%	

FY'21 Gap Between Revenue Options and Proposed Expenses

	Revenue Option 1 (3.5%)	Revenue Option 2 (3.5% + SP)	Revenue Option 3 (4.25% + SP)	Revenue Option 4 (Mod. 3.5% + SP)
FY'20 Adjusted Budget	\$76,783,930	\$76,783,930	\$76,783,930	\$76,783,930
Additional Revenue	\$2,687,438	\$2,687,438	\$3,263,317	\$2,530,745
Spec. Ed. Revenue	<u>\$0</u>	<u>\$664,203</u>	<u>\$664,203</u>	<u>\$664,203</u>
FY'21 Available Revenue	\$79,471,368	\$80,135,571	\$80,711,450	\$79,978,878
FY'21 Proposed Budget	\$80,438,605	\$80,438,605	\$80,438,605	\$80,438,605
Variance	(\$967,237)	(\$303,034)	\$272,845	(\$459,727)
Budget Proposal is 3.9% + Special Education				

FY'21 Estimated Revenue Sources



Budget Process

➤ Meetings with Town Leaders

- July 2019 through November 2019
- School Committee, Board of Selectmen, Advisory, Town and School Administration
- Discussions of how to meet mandated Special Education costs outside of guideline

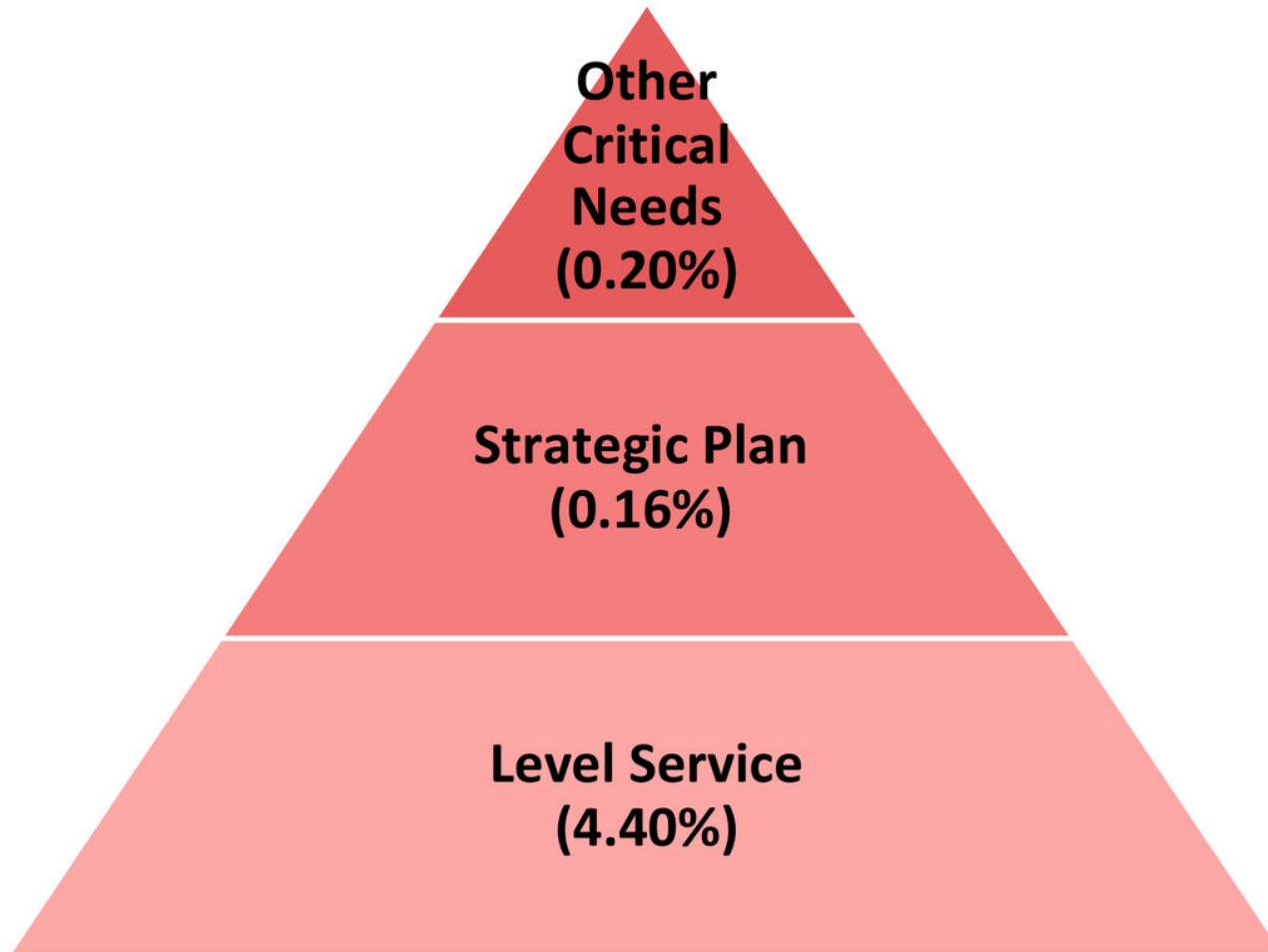
Budget Process

- Academic Council (Kick-Off on September 24, 2019)
 - Review School Committee guidelines
 - Develop Level Service Budget
 - Build priorities beyond Level Service for Strategic Plan and Other Critical Needs
 - Identify savings/offsets to cover any new requests
 - Must have a clear, defensible rationale for all requests

Budget Process

- Discussion with each level to review budget requests and potential offsets
 - PAWS / Elementary
 - Middle
 - High
- Regular budget meetings with Administrative Council and Senior Staff to review and refine budget priorities
- Present FY'21 Budget Request to staff on 12/5/19

Budget Process: Architecture



Budget Drivers: Enrollment

Level	FY'20 Oct. 1 Actual	FY'21 Projected	Variance
K - 5	2,094	2,060	-34
6 - 8	1,165	1,140	-25
9 - 12	1,499	1,490	-9
Total	4,758	4,690	-68

Budget Drivers: Compensation

- Collective Bargaining Agreements expire at the end of SY'21-22
 - WTA Units A, B and C
 - WEPSA Units A and B

- Cost Impact of Current Staff \$2,891,298
 - Steps 4.17%
 - Lanes 10.2% 7.7% 7.0%

Budget Drivers: Compensation

New positions are added based on mid-scale (1.0 FTE):

- Professional Staff (Masters, Step 8)
 - Salary: \$74,759
 - Benefits: \$20,000

- Teaching Assistants
 - Salary: \$26,071
 - Benefits: \$7,500

- Paraprofessional Position
 - Salary: \$38,302
 - Benefits: \$7,500

Special Education: OOD Placements

School Year	SY'15-16	SY'16-17	SY'17-18	SY'18-19	SY'19-20
Out of District	57	47	48	46	45
Settlements	<u>9</u>	<u>11</u>	<u>14</u>	<u>12</u>	<u>11</u>
Total	66	58	62	58	56

The distribution of total placement numbers across the various placement types is:

	SY'19-20	SY'20-21
Collaborative Placement	14 Students	14 Students
Private Day School	29 Students	27 Students
Residential In-State	14 Students	19 Students
Out-of-State	3 Students	3 Students

Special Education: OOD Placements

Placement	FY'20 Voted	FY'20* Adjusted	FY'20 Variance	FY'21 Request	FY'21 Variance
In-State Schools	\$0	\$51,299	\$51,299	\$0	(\$51,299)
Out-of-State	\$85,653	\$320,413	\$234,760	\$231,717	(\$88,696)
Collaborative	\$592,281	\$934,693	\$342,412	\$1,043,521	\$108,828
Prof. Services	\$17,087	\$58,561	\$41,474	\$58,561	\$0
Private Day	\$2,147,882	\$2,290,680	\$142,798	\$2,584,041	\$293,361
Residential	\$3,207,755	\$3,748,977	\$541,222	\$3,438,245	(\$310,732)
Total	\$6,050,658	\$7,404,623	\$1,353,965	\$7,356,085	(\$48,538)

The FY'20 Adjusted Budget includes \$483,007 in the Residential category which represents the expenses we anticipate will need to be covered by the Reserve / Stabilization

Circuit Breaker Reimbursement

FY	FY'17	FY'18	FY'19	FY'20 Budget	FY'21 Budget
Budgeted	\$2,988,362	\$3,341,578	\$3,540,980	\$2,964,307	\$3,319,681
Actual	\$2,851,857	\$2,944,086	\$2,917,950	\$3,007,954	
Gap	(\$136,505)	(\$397,492)	(\$623,030)	\$43,647	
%	70%/73%	72%/72%	72%/74.5%	73%/75%	75%

Budget Drivers: Increase/(Decrease) to Mandates & Fixed Costs

➤ Transfer of Paraprofessionals from Fed. Grants	\$153,208
➤ Elementary Section Reduction	(\$149,518)
➤ Extended School Year Rate Restructure	\$50,000
➤ Reduction of Circuit Breaker Revenue	\$224,549
➤ Special Education Transportation	\$5,185
➤ Special Education Out-of-District Costs	\$434,469
➤ Transportation	\$56,752
➤ Athletics Facilities Costs	\$12,281
➤ Public Address System Maintenance	\$11,359

Total	\$798,285
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FY'21 Budget Proposal

Proposed Budget by Level

FY'21 Level Service Positions

School	Salary and Other Compensation Changes	FTE	Cost
Elem.	Reassignment of Teaching Assistant to Middle School	(6.00)	\$ (158,868)
Production	Production Center Associate Increased Hours	0.30	\$ 11,392
WHS	English as a Second Language Teacher	(0.10)	\$ (7,476)
WMS	Drama Elective	0.10	\$ 7,476
WMS	Music Elective	0.10	\$ 7,476
WMS	Reassignment of Teaching Assistant from Elementary Schools	6.00	\$ 156,426
WMS	Reduction of One-Time Additional Release of WL Director	(0.20)	\$ (14,952)
WMS	World Language Grade 8 Section	0.20	\$ 14,952
WMS/HS	Transfer of Paraprofessionals from Federal Grant Funds	4.00	\$ 153,208
District	Base Level Personnel Changes (Steps, Leaves, Late Starts)	-	\$ 2,891,298
District	Elementary Section Reduction	(2.00)	\$ (149,518)
District	Extended School Year Rate Restructure (Unit A)	-	\$ 50,000
District	Lane Change / Salary Reserve	-	\$ 322,500
District	Turnover Savings	-	\$ (650,000)
Sub-Total		2.40	\$ 2,633,914

FY'21 Level Service Expenses

School	Program / Expense Description	Cost
District	Offset: Reduction in Revenue for Transportation (Increased Waivers)	\$5,000
District	IT: Public Address System Maintenance, Virtual Servers, Acct. Automation	\$43,527
District	Human Resources: AESOP Substitute Schedule Software Inflation	\$2,071
District	Human Resources: Unit C Tuition Reimbursement Fund	\$5,000
District	Spec. Ed.: Human Resource Services (HRS) Contract	\$1,450
District	Transportation	\$44,138
Elementary	Spanish: Instructional Materials and Dues	(\$6,045)
Elementary	Science: Projected Enrollment Change to Per Pupil	\$15
OOD	Circuit Breaker Fund Balance Use in FY'20	\$536,276
OOD	Circuit Breaker Reimbursement (75% Estimated)	(\$311,727)
OOD	Collaborative Placements	\$108,828
OOD	Contracted Transportation Increase	\$5,773
OOD	In-State Tuition	(\$51,299)
OOD	Out-of-State Tuition	(\$88,696)
OOD	Private Placements	\$293,361
OOD	Residential Placements	\$172,275
Vocational	Vocational: Transportation and Tuition	\$2,648
WHS	Offset: Increased Revenue in Special Education Tuition	(\$2,398)
WMS/HS	Athletics	\$27,544
Sub-Total		\$787,741



FY'21 Strategic Plan Positions

School	Salary and Other Compensation Changes	FTE	Cost	Benefits
WMS	Computer Science	0.20	\$ 14,952	\$ -
WMS	Scholars Program	0.20	\$ 14,952	\$ -
WHS	Computer Science	1.00	\$ 74,759	\$ 20,000
Sub-total		1.40	\$ 104,663	\$ 20,000

FY'21 Other Critical Need Positions

School	Salary and Other Compensation Changes	FTE	Cost	Benefits
Bates	Building Teaching Assistant	1.00	\$ 27,002	\$ 7,500
Hunnewell	Building Teaching Assistant	1.00	\$ 27,002	\$ 7,500
WHS	Testing Coordinator	1.00	\$ 26,586	\$ 7,500
WHS	Testing Stipend	-	\$ (7,650)	\$ -
WHS	Assistant Athletic Director	0.20	\$ 16,472	\$ -
District	English as a Second Language Summer Testing	-	\$ 750	\$ -
Sub-Total		3.20	\$ 90,162	\$ 22,500

FY'21 Other Critical Need Expenses

School	Program / Expense Description	Cost
District	Nurse: Medical Supplies, AED Maintenance, User Access to Database	\$2,725
District	Perf. Arts.: Instructional Materials and Equipment Maintenance	\$3,272
District	Spec. Ed.: Assistive Technology Equipment	\$1,712
Elementary	Art: Professional Development / Conference	\$1,400
Schofield	Principal: Instructional Materials Inflation	\$330
WHS	Principal: Dues	\$400
WHS	Principal: Professional Development	\$1,400
WMS	Art: Eliminate Art Fees	\$20,000
WMS/HS	Fitness and Health: Equipment Maintenance	\$2,000
WMS/HS	World Lang.: Field Trip Transportation, Seal of Biliteracy Proctors	\$4,960
Sub-Total		\$38,199

FY'21 Summary by Level

School	Category	FTE	Cost	Benefits
All	Level Service	2.40	\$3,421,655	(\$40,000)
All	Strategic Plan	1.40	\$104,663	\$20,000
All	Other Critical Needs	3.20	\$128,361	\$22,500
Total		7.00	\$3,654,679	\$2,500

FY'21 Fees and Budget Offsets

- ❑ Decrease of revenue from budget offsets:
 - ❑ Circuit Breaker \$224,549
 - ❑ Transportation \$5,000
 - ❑ Eliminate Middle School Art Fees \$20,000

- ❑ Increase of revenue from budget offsets:
 - ❑ Special Education Tuition \$2,398

Summary: FY'21 Budget Proposal

	Salary and Other Comp.	Benefits	Expenses	Total	% Inc. / (Dec)
FY'20 Voted Budget	\$69,116,050		\$7,667,880	\$76,783,930	
FY'20 Adjusted Budget	\$68,817,105		\$7,966,825	\$76,783,930	
Level Service	\$2,633,910	(\$40,000)	\$787,741	\$3,381,651	4.40%
Strategic Plan Investments	\$104,663	\$20,000	\$0	\$124,663	0.16%
Other Critical Needs	\$90,162	\$22,500	\$38,199	\$150,861	0.19%
Sub-Total	\$2,828,735	\$2,500	\$825,940	\$3,657,175	4.76%
Spec. Ed. Funds	\$0	\$0	(\$664,203)	(\$664,203)	(0.87%)
Total Proposed Budget	\$71,645,840	\$2,500	\$8,128,562	\$79,776,902	3.90%

Next Steps

- Budget Review by the School Committee
 - December 17th
 - 12PM - 3PM: Staffing, Central Office, K-12, Capital
 - December 18th
 - 9:00 AM - 11:00 AM: Elementary, WMS, WHS
 - December 19th
 - 10:00 AM - 12:00 PM: PAWS, Special Education
 - 2:00 PM - 4:00 PM: General
- Vote by the School Committee
 - January 28th
- Advisory Committee Review
 - February 5th
- Town Meeting March/April, 2020

Questions?