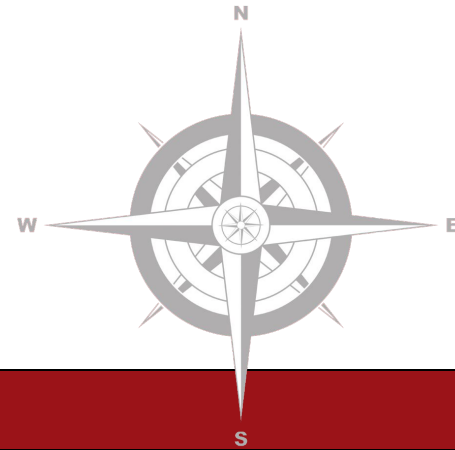


Wellesley Public School FY'24 Budget

Annual Town Meeting Presentation
March 27, 2023

WELLESLEY PUBLIC SCHOOLS

Learning • Caring • Innovating



FY'24 Budget Presentation Overview

- Budget Context
- Budget Guidelines
- Budget Drivers
- Transition to the new Hunnewell School
- Summary of Recommendations
- Cash Capital
- Questions

FY'24 Budget

Budget Context

Budget Context

- COVID-19 Pandemic
- WPS Strategic Plan Development
- Elementary School Building Projects
- Student Enrollment
- Equity and Excellence Priorities
- Town Fiscal Landscape

FY'24 Budget

Budget Guidelines

Budget Guidelines

Model 1: Joint Guidance (School Committee and Select Board)		
	FY'23 Annual Town Meeting Appropriation	\$84,802,267
	3.00% Increase	<u>\$2,544,068</u>
	<i>New Available Revenue with Model 1</i>	<i>\$2,544,068</i>

Model 2: Additional Guidance from School Committee		
	FY'23 Annual Town Meeting Appropriation	\$2,544,068
	3.00% Increase	\$2,544,068
	Level Service (with Health Benefits)	<u>\$2,596,003</u>
	<i>New Available Revenue with Model 2</i>	<i>\$2,596,003</i>

Level Service figure include health benefits.

Budget Guidelines

Model 3: Additional Guidance from School Committee		
	FY'23 Annual Town Meeting Appropriation	\$84,802,267
	3.00% Increase	\$2,544,068
	Level Service	\$2,596,003
	Strategic Priorities & Other Critical Needs	<u>\$521,419</u>
	<i>New Available Revenue with Model 3</i>	<i>\$3,117,422</i>

The School Committee voted in favor of Model 3, reflecting a 3.57% increase over FY23.

(Level Service, Critical Needs and Strategic Priorities figures include health benefits.)

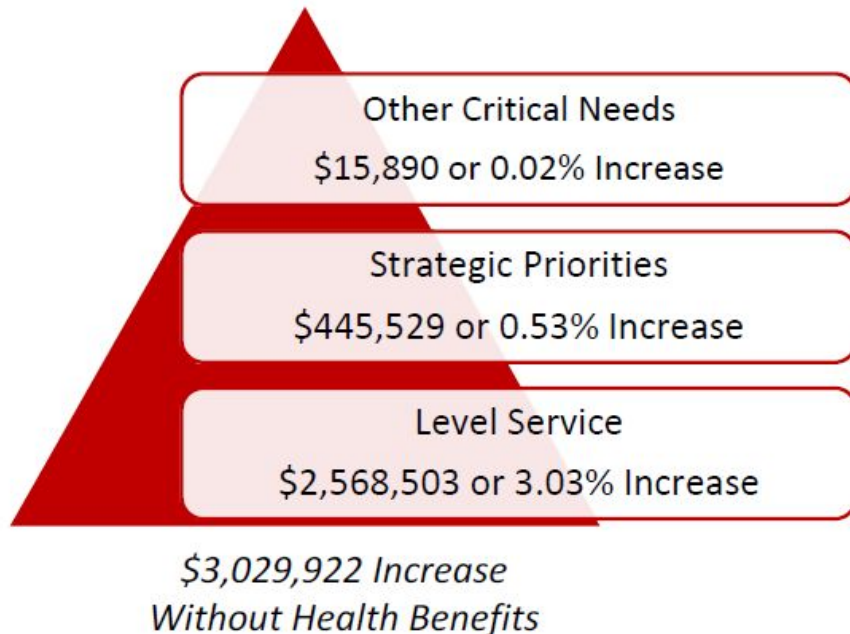
Budget Guidelines - Historical

Fiscal Year	Select Board Guideline	School Committee Guideline	Approved Budget Increase (w/o Health)
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.	Model 1: 3.50% Model 2: 3.50% + Spec. Ed. Model 3: 4.25% + Spec. Ed.	3.82 + Spec. Ed. = 4.86%
FY'22	2.50%	Model 1: 2.50% Model 2: Level Service	2.69%
FY'23	2.75%	Model 1: 2.75% Model 2: Level Service	2.74%
FY'24	3.00%	Model 1: 3.00% Model 2: Level Service Model 3: Critical Needs/Strategic Priorities	3.57% (14.00% OOD Increase)

FY'24 Voted Budget

Category	Salary	Expenses	Total	% Change	% Change Cum.
Adjusted Budget	\$75,369,609	\$9,432,658	\$84,802,267		
Level Service	\$1,263,779	\$1,304,724	\$2,568,503	3.03%	3.03%
Strategic Priorities	\$358,521	\$87,008	\$445,529	0.52%	3.55%
Other Critical Needs	\$0	\$15,890	\$15,890	0.02%	3.57%
Total without Health Benefits	\$76,991,908	\$10,840,280	\$87,832,188	3.57%	
Health Benefits	\$87,500		\$87,500	0.11%	
Total with Health Benefits	\$77,079,408	\$10,840,280	\$87,919,688	3.68%	

Budget Architecture



Without Health Benefits Included:

Total Dollar Increase: \$3,029,922

Total Percent Increase: 3.57%

With Health Benefits Included:

Total Dollar Increase: \$3,117,422

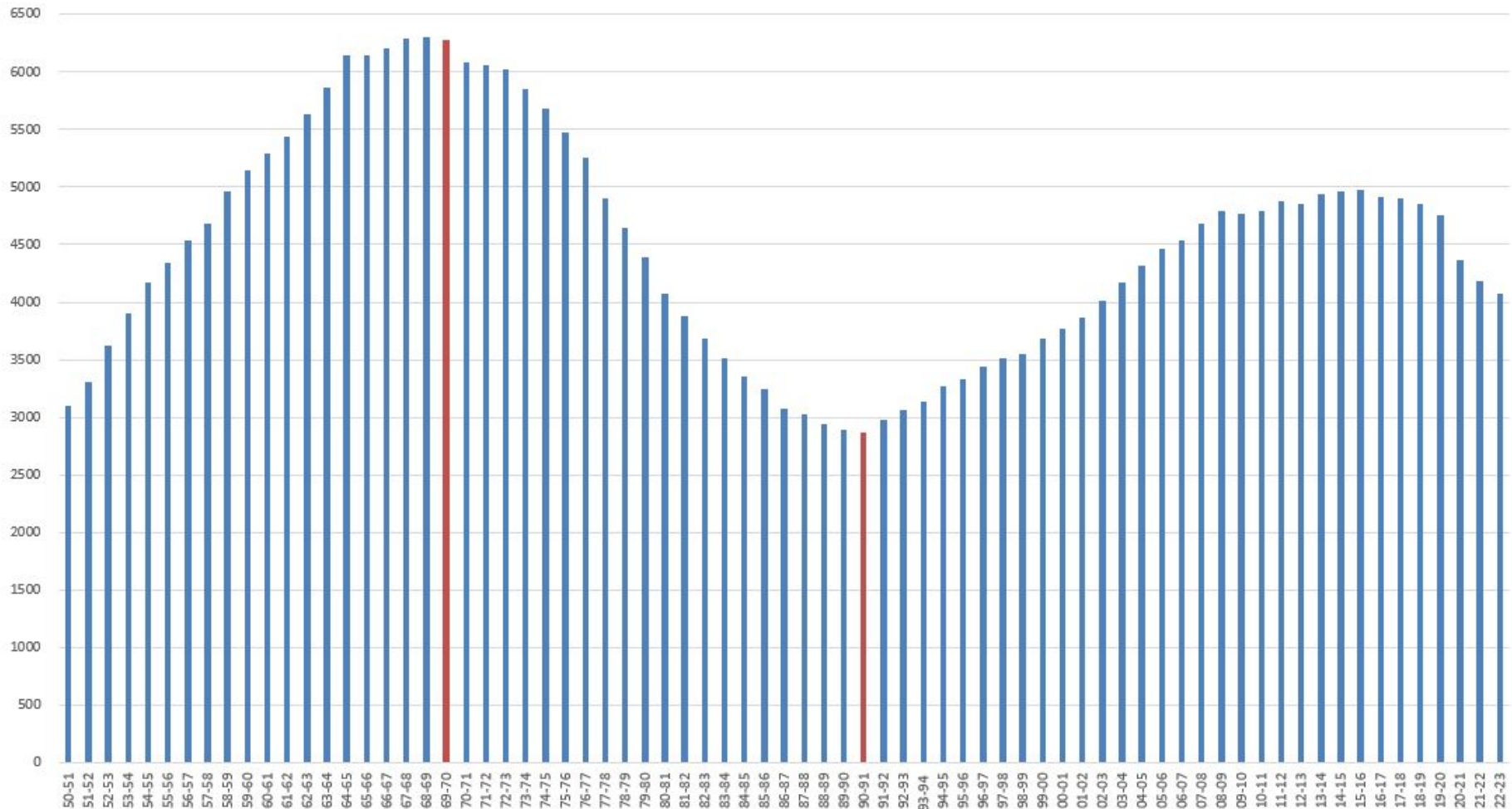
Total Percent Increase: 3.68%

FY'24 Budget

Budget Driver: Student Enrollment

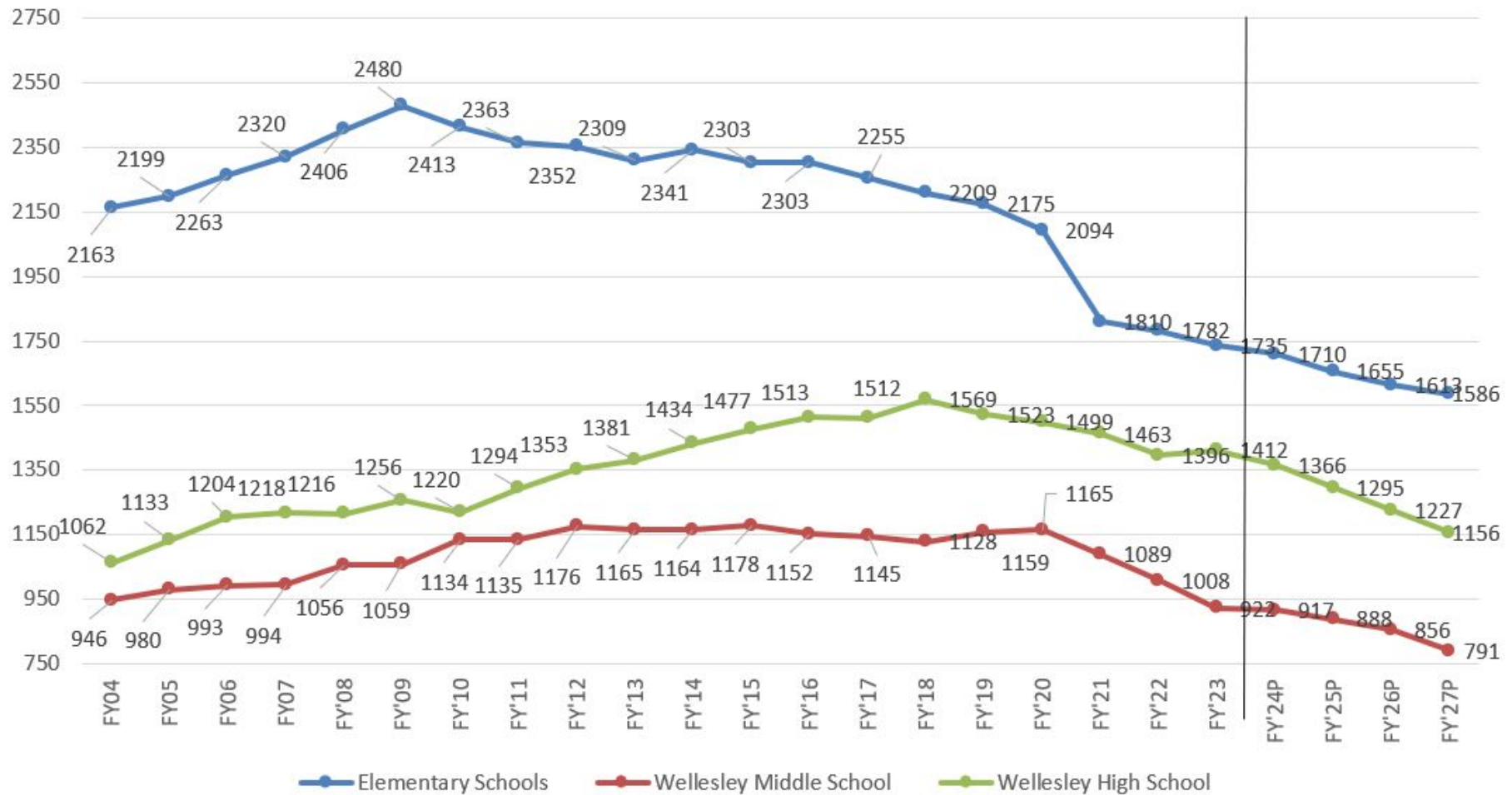
Budget Drivers: Enrollment

Wellesley Public Schools
Historical Enrollment School Year 1950-1951 through School Year 2022-2023



Budget Drivers: Enrollment

Wellesley Public Schools Historical Enrollment by Level

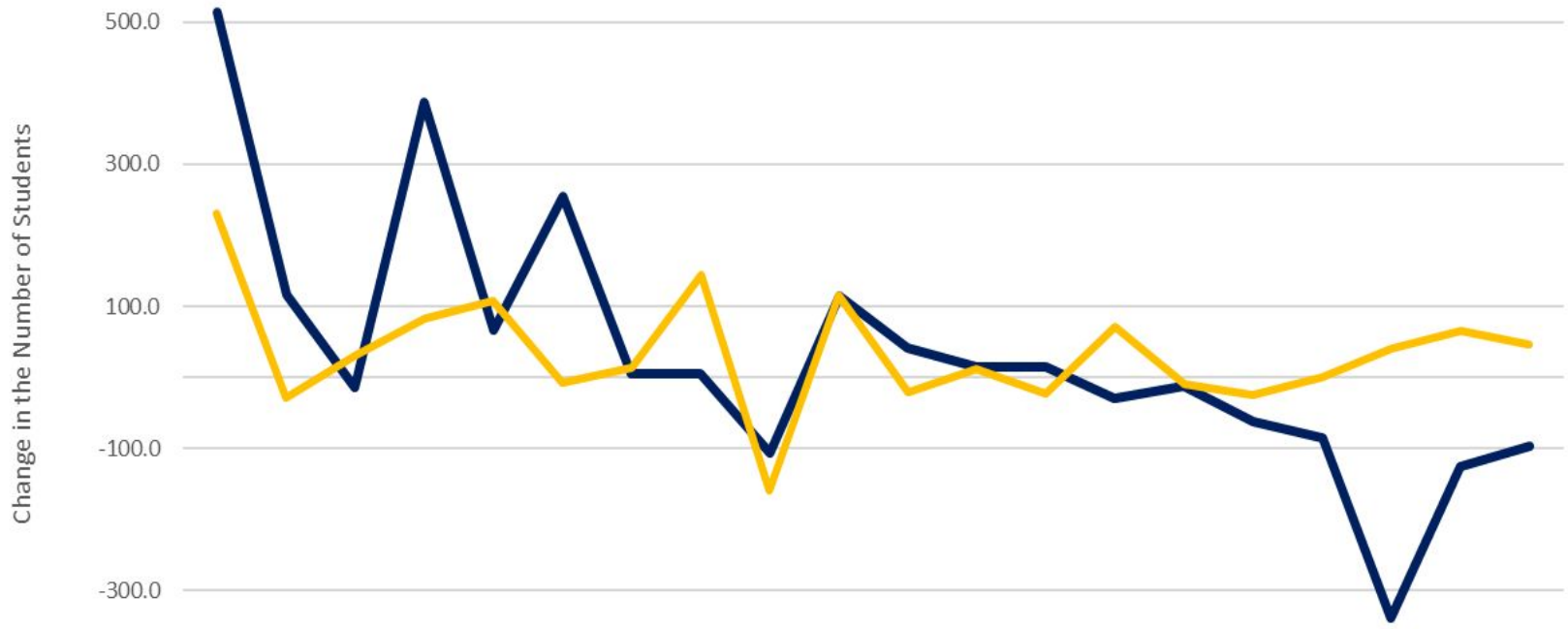


Professional Student Enrollment Study

- Completed by FutureThink in Sept. 2022
- Follows their study completed just prior to the pandemic
- ***Major finding: “All data points suggest a decline in District enrollment due to lower birth counts, projected decline in school age population, projected increase in non-school age population, and stable average family size.”***

Budget Drivers: Private/Parochial

School Attending Report Data (2004 - 2023)



	Jan-04	Jan-05	Jan-06	Jan-07	Jan-08	Jan-09	Jan-10	Jan-11	Jan-12	Jan-13	Jan-14	Jan-15	Jan-16	Jan-17	Jan-18	Jan-19	Jan-20	Jan-21	Jan-22	Jan-23
Change in Total Enrollment	513	116	(14)	388	66	254	5	5	(107)	115	42	15	14	(30)	(12)	(63)	(85)	(339)	(125)	(96)
Change in Private/Parochial	230	(29)	30	83	108	(8)	14	144	(159)	116	(21)	12	(22)	72	(9)	(25)	-	40	65	46

Budget Drivers: Enrollment

Level	FY'23 Oct. 1 Actual	FY'24 Projected	Variance
K - 5	1,735	1,710	-25
6 - 8	922	917	-5
9 - 12	1,412	1,366	-46
Total	4,069	3,993	-76

Budget Drivers: Elem. Historical Sections

School Year	Sections	Change from Previous Year	Cumulative Change
SY'15-16	113	-2	-2
SY'16-17	110	-3	-5
SY'17-18	109	-1	-6
SY'18-19	107	-2	-8
SY'19-20	107	0	-8
SY'20-21	103	-4	-12
SY'21-22	101	-2	-14
SY'22-23	96	-5	-19
SY'23-24 Proj.	94	-2	-21

Budget Drivers: FY'24 Elem. Classrooms Projection

School	K	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Total
Bates	0	-1	+1	0	-1	0	-1
Fiske	+1	0	+1	-1	0	+1	+2
Hardy	0	0	0	0	0	0	0
Hunnewell	0	0	0	0	0	0	0
Sprague	+1	0	0	-1	-1	0	-1
Schofield	-1	0	0	0	0	0	-1
Upham	+1	-1	0	0	-1	0	-1
BUDGETED	+2	-2	+2	-2	-3	+1	-2

Class Size Guidelines:

Kindergarten through Grade 2: 18-22 Students
 Grade 3 through Grade 5: 22-24 Students

Budget Drivers: Enrollment Impacts

Grade Level	FY'24 FTE Impact	FY'24 Salary Cost/(Savings)	FY'24 Health Cost/(Savings)
K-5	-0.20 FTE	(\$112,661)	(\$25,000)
6-8	-0.60 FTE	(\$45,753)	(\$0)
9-12	-2.50 FTE	(\$190,637)	(\$20,000)
K-12 Total	-3.30 FTE	(\$349,051)	(\$45,000)

FY'24 Budget

Budget Driver: Compensation

Budget Drivers: Compensation

- Base Salary Changes including Collective Bargaining
 - Base Changes (Steps, Leave of Absence Adjustments) \$1,570,475
 - Cost of Living Adjustments (COLA), Lane Changes \$2,578,608
 - Turnover Savings (\$650,000)
- Special Education
 - Budget for known and reasonably known - no reserves budgeted
- Budget Guidelines
- Enrollment

Budget Drivers: Step Increases

Unit	Number of Steps in Table	Full-Time Equivalents (FTEs)	% Not at Top Step	% at Top Step
Unit A	16	537.45	44.74%	55.26%
Unit B	9	35.00	28.57%	71.43%
Unit C (Teaching Asst.)	6	121.70	56.61%	43.39%
Unit C (Parap.)	5	67.28	55.94%	44.06%
Unit D	7	32.00	19.45%	80.55%
Unit E	10	14.00	71.43%	28.57%

- Annual Financial Impact: \$973K to General Fund, \$58K in External Funds
- Unit A members receive a 4.17% increase in pay for each step; cost-of-living-adjustments are in addition to the step raise
- Employees are advanced 1 step each year of employment
- Expired contract does not impact steps; all eligible employees were advanced a step at the start of the year

FY'24 Budget

Budget Driver: Special Education

Budget Drivers: OOD Special Education

The distribution of out-of-district placement numbers across the various placement types is:

Placement Type	FY'20-21 Actual	FY'21-22 Actual	FY'22-23 Current	FY'23-24 Budgeted
Collaborative	12	9	12	9
Private	33	40	38	40
Residential	10	11	13	9
Out-of-State	<u>4</u>	<u>3</u>	<u>3</u>	<u>2</u>
Total:	59	63	66	60

FY'24 Out-of-District Rate Increases

Historical Rate Increases

FY'11	0.75%
FY'12	1.69%
FY'13	2.13%
FY'14	1.80%
FY'15	1.53%
FY'16	1.40%
FY'17	1.83%
FY'18	1.15%
FY'19	2.33%
FY'20	1.63%
FY'21	2.72%
FY'22	2.26%
FY'23	2.54%
FY'24	14.00%

The Operational Services Division (OSD) sets the tuition prices for M.G.L. approved private special education programs for purchase by cities and towns.

The OSD is required by M.G.L. Chapter 7, Section 22N, to submit an “estimated rate change social service programs” to Superintendents by October 1st of each year.

FY'24 Out-of-District Rate Increase

14.0% Rate Increase Impact

2.50% Rate Increase Impact

FY'24 Projected Cost Increase:
\$767,538

FY'24 Projected Cost Increase:
\$137,060

The 14.0% rate increase applied to state approved schools compared to an average rate increase rate of 2.50% has an additional financial impact to the Town of Wellesley of \$630,478 representing an increase of 0.74% of the 3.57% increase.

Budget Drivers: In-District SpEd Programs

- In-District Programs
 - Language Based Programs (Schofield, WMS, WHS)
 - Integrated Specialized Services (ISS) (Sprague, WMS)
 - Therapeutic Learning Center (TLC) (Hunnewell, MMS, WHS)
 - Skills Program (Upham, WMS, WHS)
 - Gateways (WHS)
 - Cornerstones (WHS)
 - Launch (18-22 Year Olds)
- Results in a cost avoidance of \$15.9M in FY'23
- Results in a revenue source of \$100K in FY'23 and FY'24 by accepting students from neighboring communities who lack these high-quality, cost-effective programs.

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

Mandated & Fixed Costs	Increase / (Decrease)
Enrollment (K-12 Impacts)	(\$394,051)
Special Education Out-of-District Costs	\$710,826
Reduction of Circuit Breaker Revenue (75% Reimbursement)	\$296,390
Special Education Transportation (Year 3 of a 5-Year Contract)	\$168,291
In-District Transportation (Year 2 of 5-Year Contract)	\$52,200
Athletic (Transportation and Facility Rental)	\$77,240
Total:	\$910,896

FY'24 Budget

Budget Driver: Fees/Budgeted Offsets

Student Fee Changes

1. Hale Reservation
 - a. Continued full funding for Grade 5 (\$100,000)
 - b. \$237 per child
2. Reduce Optional Transportation Fee by \$100 to \$400 (\$79,922)
 - a. SY'22-23 fee was \$500
3. Offer three free performances (\$1,800)
 - a. Middle School Spring Play
 - b. High School Jazz Concert
 - c. High School Winter Play
4. Increase the Child Lab Tuition by \$150 to \$6,450 annually

FY'24 Budget Offset Changes

❑ Decrease of revenue from budget offsets:

Circuit Breaker (Budgeted 75% Reimbursement)	\$296,390
Transportation (\$500/year to \$400/year)	\$79,922

❑ Increase of revenue from budget offsets:

Pre-School Tuition	\$35,000
WMS/WHS Student Activity Fund Balance Close-Out	\$48,547
WMS/WHS Visual Arts Fund Balance Close-Out	\$29,293

FY'24 Budget

Transition to the new Hunnewell School

Hunnewell Transition

SY'23-24	Grade Level	Host School
	Kindergarten and Kindergarten TLC Program	Bates
	Grade 1 and Grade 1 TLC Program	Bates
	Grade 2 and Grade 2 TLC Program	Upham
	Grade 3 and Grade 3 TLC Program	Sprague
	Grade 4 and Grade 4 TLC Program	Hardy
	Grade 5 and Grade 5 TLC Program	Sprague

Hunnewell Transition

- Expected reopening in February 2024
- Reserve 1.0 FTE
 - Swing space created efficiency for specialist teachers
 - Schedules will be developed with a mid-year Hunnewell opening in mind
 - Additional, incremental, specialist teachers will be needed to serve students across 7 buildings
 - The Assistant Superintendent for Teaching and Learning will determine where the additional, incremental, FTEs are needed by subject and school

FY'24 Budget

Summary of Recommendations

FY'24 Budget: PreK - Grade 8

- Elementary enrollment calibration
 - Projected reduction of 25 students
 - Budgeted reduction of 2 sections (classrooms)
 - Reduction of 0.20 FTE Librarian
- PreK-Grade 5 Social Studies Department Head (1.00 FTE)
- Middle School enrollment calibration
 - World Language (0.40 FTE) reduction
 - Performing Arts (0.20 FTE) reduction
- WMS Mathematics Teacher (1.00 FTE)
- WMS Mathematics Coach (1.00 FTE)

FY'24 Budget: High School

- High School enrollment calibration
 - English (0.40 FTE) reduction
 - Social Studies (0.40 FTE) reduction
 - Science (0.50 FTE) reduction
 - Mathematics (0.40 FTE) reduction
 - World Language (0.40 FTE) reduction
 - Performing Arts (0.20 FTE) reduction
 - Visual Art (0.20 FTE) reduction
- AP Chinese Language and Culture (0.20 FTE)
- AP Capstone (Seminar) (0.20 FTE)
- Innovation Lab (0.10 FTE)

FY'24 Budget: Districtwide

- Teaching Fellows (Regis College Collaboration)
- World Language Proficiency Assessments (Elem/MS/HS)
- Transportation Fee Reduction
 - FY'22: \$521/per student
 - FY'23: \$500/per student
 - FY'24: \$400/per student

FY'24 Summary

Level	Description	FTE	Cost	Benefits
All	Hunnewell Reopening	2.00	\$145,582	\$40,000
All	Level Service	(2.46)	\$2,422,921	(\$12,500)
All	Strategic Plan	3.50	\$445,529	\$60,000
All	Other Critical Needs	0.00	\$15,890	\$0
FY'24 Voted Budget Total:		3.04	\$3,029,922	\$87,500

The FY'24 School Committee Voted Budget is:

Without Health Benefits: 3.57%

With Health Benefits: 3.68%

Drivers over Guideline

Out-of District

Rate Increase (OSD Schools)

FY'21-FY'23 average is 2.5%

FY'24 is 14.0%

Cost differential is \$630,478

Placement changes in non-OSD
approved schools

Overall financial impact:

\$710,826

Transportation

Contracts

Eastern Bus (Year 2 of 5)

JSC (Year 3 of 5)

Students Services, In-Town and
Athletics

Overall financial impact:

\$278,331

Budget Drivers: FTE/Headcount

<i>FY'23 Adjusted Budget</i>	<i>831.46 FTE</i>	<i>859.00 Headcount</i>
Enrollment Changes	(3.30)	0.00
Hunnewell Reopening	2.00	2.00
Level Service	0.84	0.00
Strategic Priorities	3.50	3.00
Other Critical Needs	0.00	0.00
General Fund Total	834.50	864.00
Variance (FY'24 Voted - FY'23 Adjusted Bud.)	3.04	5.00

Budget Drivers: FTE/Headcount

<i>Other Fund Baseline</i>	<i>48.14 FTE</i>	<i>49.00 Headcount</i>
State Grants	0.00	0.00
Federal Grants	(0.69)	0.00
Revolving Funds	0.00	0.00
Other Fund Total	47.45	49.00
Variance	(0.69)	0.00

<i>All Funds Variance</i>	<i>879.60 FTE</i>	<i>908.00 Headcount</i>
General Fund	3.04	5.00
External Funds	(0.69)	0.00
Total Variance	2.35	5.00

Summary: FY'24 Voted Budget

	Salary and Other Comp.	Expenses	Total	% Inc. / (Dec)	Health Benefits
FY'23 Voted Budget	\$75,218,742	\$9,583,525	\$84,802,267		
FY'23 Adjusted Budget	\$75,369,609	\$9,432,658	\$84,802,267		
Hunnewell Reopening	\$152,508	(\$6,926)	\$145,582	0.17%	\$40,000
Level Service	\$1,111,270	\$1,311,650	\$2,422,920	2.85%	(\$12,500)
Strategic Plan	\$358,521	\$87,008	\$445,529	0.53%	\$60,000
Other Critical Needs	\$0	\$15,890	\$15,890	0.02%	\$0
Total without Health Ben.	\$76,991,908	\$10,840,280	\$87,832,188	3.57%	\$87,500

Summary: Chapter 70 State Aid

Fiscal Year	Chapter 70 Receipts	Change in Receipts from Prior Year	Foundation Enrollment # and % Change
FY'2024	\$9,791,364	\$125,400 (1.29%)	4,180 (-128, -2.97%)
FY'2023	\$9,665,964	\$258,480 (2.75%)	4,308 (-158, -3.54%)
FY'2022	\$9,407,484	\$133,980 (1.44%)	4,466 (-410, -8.41%)
FY'2021	\$9,273,504	\$0	4,876 (-100, -2.01%)
FY'2020	\$9,273,504	\$318,209 (3.55%)	4,976 (-53, -1.05%)
FY'2019	\$8,955,295		5,029

FY'24 Budget

Cash Capital

Historical Cash Capital

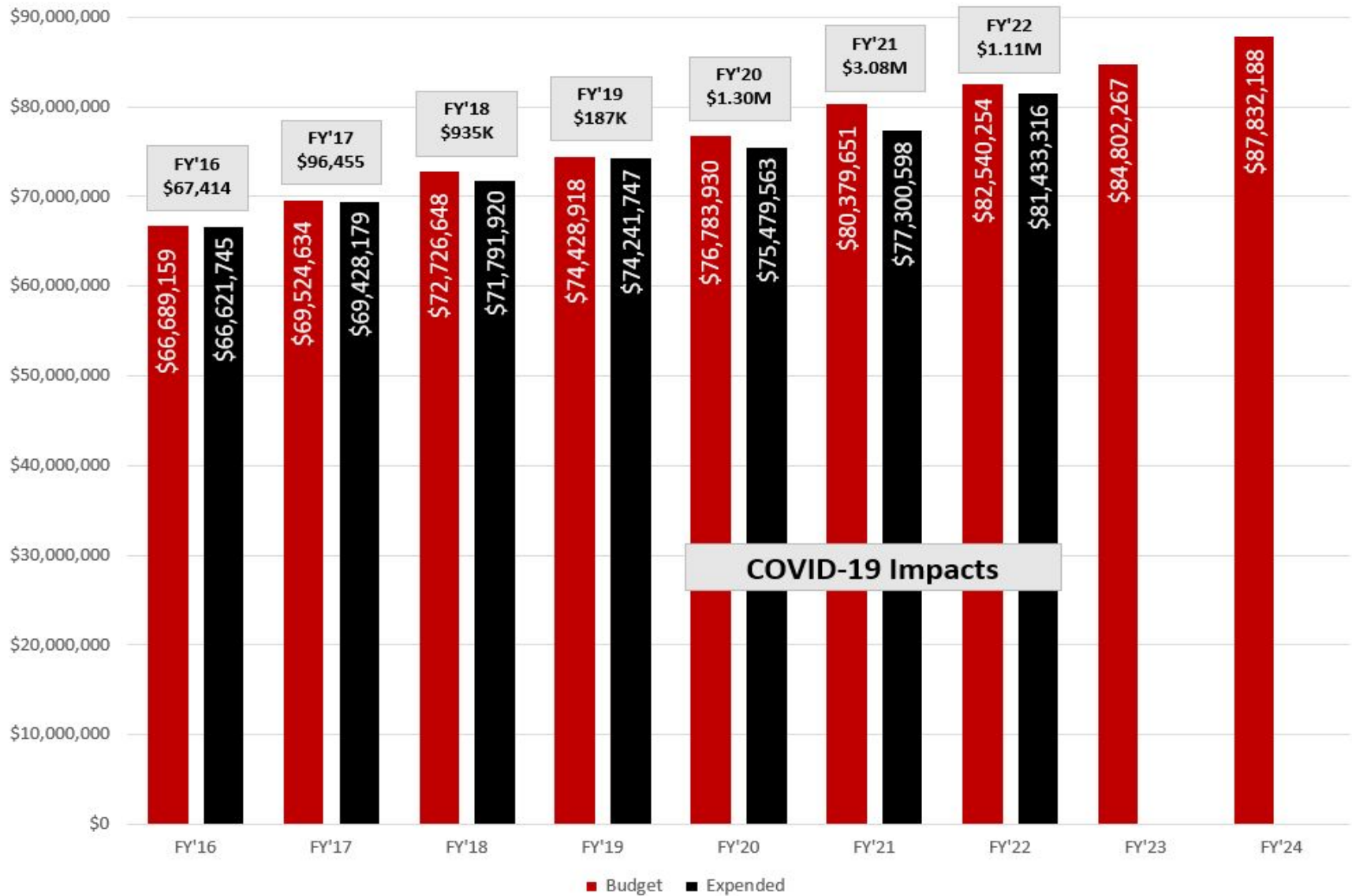
Furniture/Fixture/Equipment	FY'20 Budget	FY'21 Budget	FY'22 Budget	FY'23 Budget	FY'24 Voted	FY'24 Variance
583010: Furniture	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -
583090: Other Equipment	\$ 99,200	\$ 51,660	\$ 52,693	\$ -	\$ -	\$ -
583110: Furniture Replacement	\$ 100,818	\$ -	\$ -	\$ -	\$ -	\$ -
FF&E Cash Capital Sub-Total:	\$ 205,018	\$ 51,660	\$ 52,693	\$ -	\$ -	\$ -
Technology	FY'20 Budget	FY'21 Budget	FY'22 Budget	FY'23 Voted	FY'24 Voted	FY'23 Variance
583030: Technology Equipment	\$ 52,200	\$ 57,200	\$ 23,000	\$ 37,500	\$ 81,846	\$ 44,346
583130: Technology Equipment Replacement	\$ 836,310	\$ 712,331	\$ 733,546	\$ 1,010,497	\$ 1,152,019	\$ 141,522
583190: Other Equipment Replacement	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ -
Technology Cash Capital Sub-Total:	\$ 896,010	\$ 777,031	\$ 764,046	\$ 1,055,497	\$ 1,241,365	\$ 185,868
Total FF&E/Technology Cash Capital:	\$ 1,101,028	\$ 828,691	\$ 816,739	\$ 1,055,497	\$ 1,241,365	\$ 185,868
Integrated Pre-School Revolving Fund	\$ 11,723	\$ -	\$ -	\$ 1,793	\$ -	\$ (1,793)
Building Rental Revolving Fund	\$ 36,744	\$ 3,999	\$ -	\$ 25,000	\$ 75,383	\$ 50,383
Revolving Fund Sub-Total:	\$ 48,467	\$ 3,999	\$ -	\$ 26,793	\$ 75,383	\$ 48,590
FY'24 Total FF&E/Technology:	\$ 1,149,495	\$ 832,690	\$ 816,739	\$ 1,082,290	\$ 1,316,748	\$ 234,458

Future Cash Capital Plans

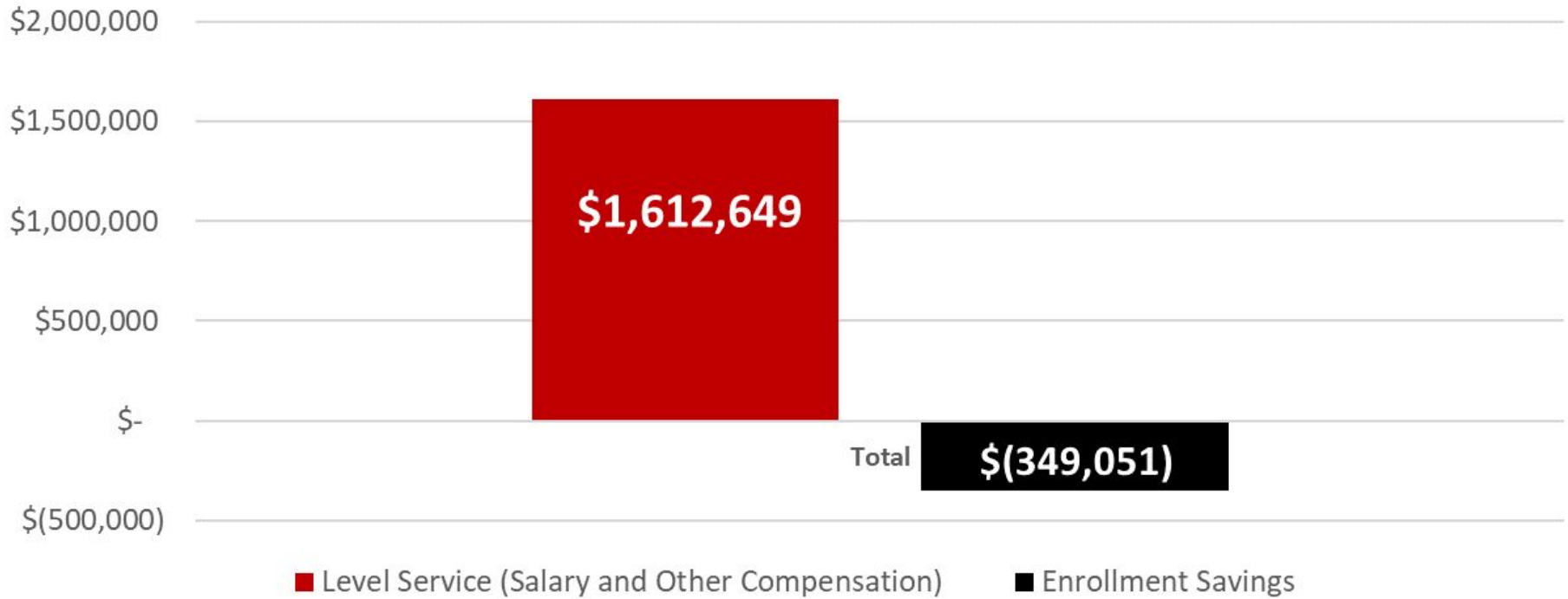
Org	Obj	Description	FY'24 Planned	FY'25 Planned	FY'26 Planned	FY'27 Planned	FY'28 Planned
134-31-X06	583090	Other Equipment	\$ -	\$ 77,500	\$ 35,000	\$ 35,000	\$ 35,000
134-31-X06	583110	Furniture Replacement	\$ -	\$ 10,000	\$ 30,000	\$ 30,000	\$ 30,000
Furniture, Fixtures & Equipment Total:			\$ -	\$ 87,500	\$ 65,000	\$ 65,000	\$ 65,000
134-33-901	583030	Technology Equip.	\$ 81,846	\$ 81,846	\$ 56,646	\$ 56,646	\$ 56,646
134-33-901	583130	Technology Equip. Repl.	\$ 1,152,019	\$ 1,405,959	\$ 1,324,875	\$ 1,040,461	\$ 942,807
134-33-901	583190	Other Equip. Repl.	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500
Technology:			\$ 1,241,365	\$ 1,495,305	\$ 1,389,021	\$ 1,104,607	\$ 1,006,953
Wellesley Public Schools Five-Year Capital Plan:			\$ 1,241,365	\$ 1,582,805	\$ 1,454,021	\$ 1,169,607	\$ 1,071,953

Questions?

WPS Historical Turnback to Town



FY'24 Level Service Salary



Technology Replacement Plan

Item	Life Span	Item	Life Span
Desktop Computers	7 Years	Sound Field Sys. (Elem.)	5-15 Years
Laptop Computers	5-7 Years	Smart Boards	15 Years
iPads/Chromebooks	4-6 Years	Security Servers	6 Years
Printers	9 Years	Security Workstations	7 Years
Network Infrastructure	5-7 Years	Security Badge Printer	6 Years
Servers	8 Years	Public Address System	15 Years
UPS/Batteries	10 Years	Audio-Video Wiring	10-15 Years
Projectors	7 Years	Creston System (HS)	10 Years
Digital Video Cameras	2-3 Years	Gymnasium AV (Elem.)	10 Years
Document Cameras	7 Years	Projector (Auditorium)	5 Years
Sound Field Sys. (MS/HS)	10-15 Years		