

BURLINGTON SCHOOL DISTRICT



FY18 Budget Update

December 20, 2016

Stakeholder Input Process

Public comment at Board meetings

Public comment at Finance Committee meetings

Staff budget advisory group

Student input survey (conducted by student representatives)

Principal input

Director input

Community input session dedicated to budget and revenues

English Learner Parent Advisory Council

Web input on budget document contents

PTO submissions

Unsolicited emails

Budget Requests: Over \$4.1 million

(Examples)

Preschool expansion	Special education supports	Deferred maintenance
Librarians	Social workers	Contingency / reserves
BHS academic interventionists	Bus driver	School bus replacement
BHS specials teachers	Preschool administrative support	Website update
Middle school teaching staff	Equity/Restorative practices	Time clock system
Multilingual liaisons	Inclusive Strategies conference	School projection equipment
Achievement gap projects	Mediation services	IT pilot project funding
Planning room staffing	Principal equity training	Maintenance fleet replacement
Elementary school supplies	Parent University expansion	Crisis counselor
Middle school supplies	Substance abuse counselors	English Learners coach
High school supplies	Student technology	Elementary academic interventionists
Supervision / monitoring staff	Kindergarten registration	

Budget Pressures

Capital Infrastructure: Deferred maintenance needs are substantial and increasing ([video](#)).

Collective Bargaining Agreements: Salary and benefit costs unpredictable. Costs increases outpacing budget growth rate.

Universal Preschool: Unfunded state mandate. Cost increases outpacing budget growth rate.

Student Support Services: Increasing need for a variety of social, emotional, and academic supports in addition to regular instruction.

Budget Pressures

Workers Compensation: Rising costs due to increasing experience rating. Impact mitigated by changing carriers in FY17.

Retirement: Pension fund for non-teaching staff likely to require increased contribution.

Horizons: Program has been underfunded in past, causing internal deficit.

Open Enrollment: More participation in BSD benefits plans results in higher cost because BSD pays a high percentage of these benefits.

Example of State Formulas that Hurt Burlington

Special Education Block Grant: State allocates special education block grant based on the average wage for special education teachers in the state. Because Burlington pays almost \$10,000 more per teacher for these positions, the grant fails to cover over \$300,000 of our projected spending.

	Eligible FTE	Wage	Grant Amount
Average BSD wage	34.57	\$ 72,500	\$ 2,506,325
Average state wage	34.57	\$ 63,016	\$ 2,178,463
DIFFERENCE		\$ 9,484	\$ 327,862

Budget Highlights

- Expenditures:
 - \$1.5m more General Fund required to maintain current services before programmatic additions or salary increases
 - Includes transfer of programs to General Fund for budget transparency
 - \$2.2m of programmatic additions (from a total of \$4.1 million requested programmatic additions)
 - \$150k of reductions to central office and departments
 - Awaiting guidance on salary increases to incorporate – no current allocation
- Revenues:
 - \$1.1 million of one-time revenue from FY15 and FY16 surpluses
 - Special education revenue increase (based on increased spending)

Budgeting Process



Central Office and Departments

3% Reduction Applied to Non-Personnel Budgets: \$150,000

Superintendent

Reduced professional services

School Board

Reduced fees

Property services

Various operational reductions

Information Technology

Various operational reductions

Business Office

Reduced lease payments

Human Resources

Reduced professional services

Diversity & Equity

Reduced professional services

Mandatory Increases

Certain expenditures will increase in FY18 as a result of factors beyond the District's control

Universal Preschool

City retirement

Workers Compensation

Utilities

State new teacher OPEB charge

Horizons

Column movement (salary)

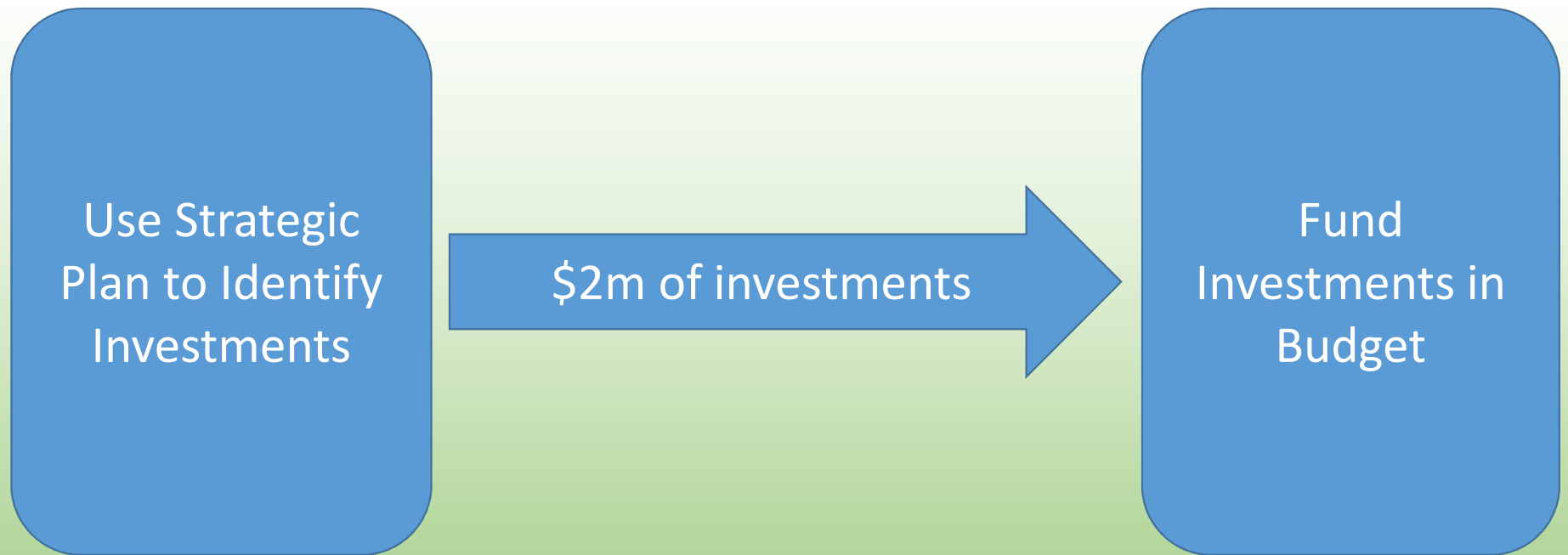
Open enrollment

Special Education placements

Debt Service (on existing debt)

Special Education translators/services

New Investments based on Strategic Improvement Plan



Sustainable Finance and Facilities

Contingency (1% of general fund)	\$ 700,000	
Debt service on \$4m new debt*	\$ 100,000	Deferred maintenance
School bus replacement	\$ 80,000	
Website update	\$ 30,000	
Expanded time clock system	\$ 22,000	
School projection equipment	\$ 15,000	

**Debt service amount presumes voter approval for an additional \$19 million of borrowing over 10 years to address deferred maintenance needs. In FY18, only an additional \$2 million is anticipated (on top of \$2m already authorized by charter).*

Equitable Climate and Culture

Special education supports	\$ 140,000	psychological/behavior
Social workers	\$ 90,000	
Bus driver	\$ 75,000	preschool/special ed
Preschool administrative support	\$ 35,000	program growth
Equity/Restorative practices	\$ 34,000	
Inclusive Strategies conference	\$ 8,000	
Mediation services	\$ 5,000	
Principal equity training	\$ 3,000	

Inclusive Teaching and Learning

Preschool expansion	\$ 300,000	in response to Act 166
Librarian interventionists	\$ 130,000	strategic plan focus
BHS academic interventionists	\$ 90,000	math/reading
BHS specials teachers (Music, Art, PE)	\$ 45,000	student preferences
Middle school teaching staff	\$ 90,000	based on enrollment
Multilingual liaison in General Fund	\$ 60,000	formerly grant funded
Achievement gap projects	\$ 30,000	
Planning room staffing	\$ 21,000	
Elementary & middle school supplies	\$ 16,000	books and materials
Supervision and monitoring staff	\$ 3,000	safety issue

High School Enrollment

	FY17 Budget	FY17 Actual	FY18 Budget	FY18 Expected	Staff Change
High School	986	946	986	965	+2.0 FTE

High school instructional staff increases focused on interventions and increased elective offerings.

Enrollment & School Staff Increases

Instructional Level	FY16	FY17	FY18	Instructional Staff Change
Middle School	792	803	830	+1.0 FTE
Elementary School	1,729	1692	1702	+1.0 FTE

Middle school instructional increase needed in response to enrollment growth.

Elementary school instructional increase for library interventionists at SA and IAA.

Collective Bargaining Agreements

All district collective bargaining agreements are currently pending renegotiation. Therefore, the funds necessary to support settlement of these agreements are unknown.

Each 1% increase in all salaries results in approximately \$500,000 of total new costs.

- Inclusive of associated payroll taxes
- General fund cost would be slightly less
- Cost would be higher if employees were also advanced a step on salary grid

FY18 Expenditure Budget Summary

General Fund Expenditures Only

FY17 General Fund Budget	\$ 69.87 million
Central Office Reductions	\$ -0.15 million
Non-discretionary increases	\$ 1.53 million
New investments	\$ 2.12 million
Salary increases	pending
TOTAL	\$ 73.37 million
Preliminary increase	\$ 3.50 million (5%)

Tax Estimates

Key Variable	Status
Education spending	Currently under development
Equalized pupil count	1% decrease (down 44 eq. pupils)
Dollar yield	3.87% increase (up \$10,076)
Common level of appraisal	Unknown at this time

We expect to have the necessary information to estimate tax implications for the January 10 Board meeting.

Budget Development Timeline

Oct	Timeline developed. Staff-level budget planning.
Nov/Dec	Stakeholder input sessions
Dec 13	School Board: Release of roll-forward line item budget
Dec 20	Finance Committee: Review enhancements and reductions
Jan 9	City Council presentation
Jan 10	School Board meeting to adopt budget
Jan 17	Special School Board meeting (only if needed)
Mar 7	Budget vote on Town Meeting Day

Public comment opportunities at all meetings