Board Adopted Budget: Summary Presentation

January 24, 2018
Input Process

- 4 Community forums have been held
  - One forum focused on new American families
  - Two forums focused on families of students with special needs
- Public comment at Board meetings
- Staff strategic planning priorities
- Principal recommendations
- Director recommendations
- Student board member input
- Online input
Consultation Themes

Energy efficiency
Better use of technology
Reduce “play” opportunities
Reduce central office staff
Promote dual enrollment
Partner with UVM, other institutions
Public/private partnerships
Review Advisory and YES program
Reduce mailings
Improve communications
Bilingual schools

Supports for all tiers of learners
EL supports
Programs for high academic achievers
New foreign languages
Add staff (such as K paras)
Full BHS schedules
Improve accessibility
Online classes
Social work supports
Classroom supplies
Professional development
Budget Requests (~$6 million)

- Proficiency coordinator
- PLP coordinator
- Flexible Pathways position
- BHS push-in EL teachers
- BHS Spec. Ed lead
- Shift MLL to general fund
- EL teaching staff
- Restorative practices
- Inclusive Strategies conf.
- Parent University
- Data systems staff
- Early Ed classrooms
- Early Ed support staff
- Elementary school supplies
- Middle school supplies
- High school supplies
- Trauma training
- Achievement gap PD
- New phonics curriculum
- Tech integration supplies
- First call crisis resource
- Unified sports
- Middle school UA staff
- Design-Tech equipment
- Grant-loss contingency
- Records tech investment
- Diverse hiring investment
- EMS Makerspace
- HMS guidance staff
- HMS locker replacement
- District substitute staff
- Transportation contracts
- Bus staff
Other Budget Pressures

**Capital Infrastructure:** High school renovation/rebuild under development

**Salaries & Benefits:** Collective bargaining salary settlements in the 2% to 2.75% range. 10% health insurance cost increase.

**Health Reimbursement Arrangements:** New HRA benefit cost will depend on use. No previous experience basis for estimate.

**Legislative Environment:** $50m Education Fund deficit and Year 2 of health insurance reduction.
Other Budget Pressures

**Retirement:** City & teacher pension plans likely to require an increased contribution.

**Universal Preschool:** 2.8% increase in state-mandated payment rate.

**Student Support Services:** Increasing need for a variety of social & emotional supports, as well as special education services.

**Elementary Supervision:** New restrictions on use of teacher time for student supervision may require additional supervision staff.
Example of State Formula that Hurts BSD

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.

<table>
<thead>
<tr>
<th>Eligible FTE</th>
<th>Wage</th>
<th>Grant Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avg BSD Wage</td>
<td>34.57</td>
<td>$ 72,500</td>
</tr>
<tr>
<td>Avg State Wage</td>
<td>34.57</td>
<td>$ 63,016</td>
</tr>
<tr>
<td>Difference</td>
<td>$ 9,484</td>
<td>$ 327,862</td>
</tr>
</tbody>
</table>

FY17 Amounts for illustration
Strategic Budget Goals

- Invest in Strategic Goals/Priorities
  Sustainable Finance and Facilities - Equitable Climate and Culture - Inclusive Teaching and Learning
- Invest in System Assets - Strategic Priorities
  Students- Staff - Programs- Capital Facilities
- Sustain and Support Future
- Multi-Year Strategic Planning Approach
- Data Informed Decisions
- Equity lens and metrics
Budget Development Process

1. Adjustments to Reduce Spending
2. Investments & Reallocations based on Strategic Plan
3. Viable Programs and Balance Budget
Prior Year Central Office Reductions

$450,000 reduction in FY17
- Superintendent Office
- School Board
- Property Services
- Information Technology
- Business Office
- Human Resources
- Diversity & Equity Office
- Curriculum Department

$150,000 reduction in FY18
- Superintendent Office
- School Board
- Property Services
- Information Technology
- Business Office
- Human Resources
- Diversity & Equity Office
Certain expenditures will increase in FY19 as a result of factors beyond the District’s control

- Wages
- Benefits
- Universal preschool payments
- Teacher OPEB Charge
- Column movement (salary)
- City retirement
- Utilities
- Debt service (on existing debt)
- Multilingual liaisons (in GF)
Priority Spending Areas

These areas are likely to receive additional investment

- Maintain class sizes within AOE Education Quality Standards
- Increase social/emotional supports
- Maintain Multilingual liaison staff
- Targeted achievement gap investments
- Restorative practices
## High School Enrollment

<table>
<thead>
<tr>
<th></th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budgeted</td>
<td>986</td>
<td>986</td>
<td>986</td>
</tr>
<tr>
<td>Actual / Est.</td>
<td>946</td>
<td>937</td>
<td>964</td>
</tr>
</tbody>
</table>

Note: 2.0 FTE teaching positions were added to BHS in FY18.
## K-8 Enrollment

<table>
<thead>
<tr>
<th></th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Middle</td>
<td>803</td>
<td>800</td>
<td>829</td>
</tr>
<tr>
<td>Elementary</td>
<td>1,755</td>
<td>1,693</td>
<td>1,635</td>
</tr>
</tbody>
</table>

**NOTE:** Elementary count excludes preschool classrooms located at elementary schools.
Example of Equity Allocation Approach

<table>
<thead>
<tr>
<th></th>
<th>Projected Enrollment</th>
<th>Core Teachers</th>
<th>EL Count</th>
<th>Poverty Count</th>
<th>IEP Count</th>
<th>Equity Needs Count</th>
<th>Equity Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>EMS</td>
<td>414</td>
<td>17</td>
<td>48</td>
<td>111</td>
<td>64</td>
<td>233</td>
<td>39%</td>
</tr>
<tr>
<td>HMS</td>
<td>415</td>
<td>17</td>
<td>78</td>
<td>183</td>
<td>86</td>
<td>347</td>
<td>61%</td>
</tr>
</tbody>
</table>

**Step 1:** Determine number of core teachers required by class size limits  
**Step 2:** Distribute additional resources on basis of equity share  
**Step 3:** Principal review of feasibility of allocation (ex: space constraints may not allow for the implementation of the mathematically derived scenario)
Sustainable Finance and Facilities

2019 Budget Priority:
Invest in Facilities and Budget Stability

Rationale:
- The capital planning process, including a facilities condition assessment, revealed the need for significant investment in our facilities.
- Establishing partnerships and initiatives that are revenue generating to sustain programming.
Sustainable Finance and Facilities

Library Maker Space Pilot (supported by grant funds) $ 75,000
Special Education Bus Driver and Aid $ 75,000
International Students Program (future revenue) $ 7,000
Community Partnership - Lake Semester Project $ 6,000
(includes significant community investment)

**Capital Plan Impact**
Year 1 of voter-approved Capital Plan Investments $ 350,000*
(Edmunds cafeteria, Preschool center(s), IAA design, HMS lockers)
*Amount included in baseline expenditures because it was part of the voter approved capital plan.
Equitable Climate and Culture

2018 Budget Priority:
Psychological and Behavioral Supports: Improving Student Access to Education

Rationale:

Behavioral and social skills interventions as well as greater flexibility to meet student emotional needs. Additional resources will provide the ability for earlier intervention and augmented instruction, intended to reduce student behavior referrals and loss of instruction. Improve school inclusive climate. Focus on building capacity in district schools to meet the needs of all students.
Equitable Climate and Culture

Multilingual Liaisons (due to loss of federal funding)  $155,000
Special Education Supports  $100,000
Social Workers at Middle Schools  alternative funding
Equity Recruitment & Hiring Initiative  $40,000
Restorative Practices Training  $40,000
Summer School SOAR/MS  alternative funding
Equity & Diversity Initiatives  $30,000
Transition to in-house teacher substitutes  $20,000
TalentED/Records Software  $10,000
Inclusive Teaching and Learning

2019 Budget Priority:
Academic Interventions: Closing the Achievement Gap and Raising the Bar

Rationale:
Academic interventions are additional instruction and supports that supplement the general curriculum (regular classroom instruction) and are necessary to improve academic performance for students based on data. A successful academic intervention process includes providing quality instruction with interventions matched to student need, and monitoring progress frequently to make decisions about changes in instruction and appropriate interventions.
# Inclusive Teaching and Learning

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Alternative Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Achievement Gap Initiatives - PD</td>
<td>$ 50,000</td>
</tr>
<tr>
<td>Achievement Gap Data Staff 1.0 FTE</td>
<td>$ 80,000</td>
</tr>
<tr>
<td>EL Staffing 1.0 FTE</td>
<td>$ 40,000</td>
</tr>
<tr>
<td>Middle School Electives 0.5 FTE</td>
<td>$ 20,000</td>
</tr>
<tr>
<td>BHS World Languages</td>
<td>$ 40,000</td>
</tr>
<tr>
<td>Jolly Phonics Curriculum</td>
<td>$ 30,000</td>
</tr>
<tr>
<td>Paraeducator PD/ School Use</td>
<td>$ 17,000</td>
</tr>
<tr>
<td>Powerschool Module</td>
<td>$ 10,000</td>
</tr>
<tr>
<td>Non Instructional Supervision</td>
<td>$ 7,000</td>
</tr>
<tr>
<td>French Dual Language Exploration Partnership</td>
<td></td>
</tr>
</tbody>
</table>
Reallocations and Reductions - Philosophy

- Maintain class sizes within AOE Education Quality Standards
- Increase social/emotional supports
- Preserve special education supports
- Preserve EL supports
- Maintain Multilingual liaison staff
- Targeted achievement gap investments
- Restorative practices
Central Office: Reallocations & Reductions

Prior Year Central Office Reductions

Over $600,000 of position and operational reductions during prior two years will remain in effect for the FY19 budget, including district leadership positions that will not be restored:

- Sr. Director of Student Support Services eliminated
- Diversity Education Director eliminated
- Director of Human Resources eliminated
Central Office: Reallocations & Reductions

FY19 reductions proposed in the following areas:

- Sr. Director of Infrastructure & Technology eliminated
- Painter position eliminated
- Grounds Foreman position eliminated
- Principal Substitute position eliminated
- Additional operational budget reductions

Estimated Savings: $540,000
### Ratios & Context

<table>
<thead>
<tr>
<th>Category</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracted Teachers</td>
<td>9.9:1</td>
</tr>
<tr>
<td>Elementary Classroom</td>
<td>19:1</td>
</tr>
<tr>
<td>MS Classroom</td>
<td>23:1</td>
</tr>
<tr>
<td>BHS Classroom</td>
<td>17:1 to 21:1</td>
</tr>
</tbody>
</table>

Why the difference? Teachers such as librarians, nurses, special educators, English Language, school psychologists, and guidance counselors are included in the overall ratio but are not counted in the classroom ratios.
BHS/BTC: Reallocations and Reductions

FY19 reductions proposed in the following areas:

1.0 FTE Business    Low student interest
1.0 FTE PE           Provide PE credit for participation in athletics.
1.0 FTE BTC          Low enrollment. Only need 1 instructor.

Estimated Savings: $177,000
Middle School: Reallocations & Reductions

No Reductions.
Enrollment projected to increase.

Estimated Savings: $0
Elementary: Reallocations & Reductions

No Reductions.
The roles of certain positions (interventionists) will be strategically reallocated or modified to align with the District’s strategic priorities. Annual reassignments based on enrollment and class size will still occur.

Estimated Savings: $0
Elementary: Reallocations & Reductions

1.0 Flynn  Reduction of 3 teachers to 2 teachers for 2nd grade
            Need only 2 teachers to serve 44 projected students
            AOE guideline: 22 students

1.0 SA     Reduction of 4 teachers to 3 teachers for 1st & 2nd grade
            Need only 3 teachers to serve 60 projected students
            AOE guideline: 22 students

1.0 Smith  Reduction of 3 teachers to 2 teachers for 5th grade
            Need only 2 teachers to serve 46 projected students
            AOE guideline: 25 students
### Expenditure Summary

<table>
<thead>
<tr>
<th>Description</th>
<th>Change</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baseline Education Spending Growth</td>
<td>+</td>
<td>$404,236</td>
</tr>
<tr>
<td>Enhancements</td>
<td>+</td>
<td>$852,000</td>
</tr>
<tr>
<td>Reductions (specified)</td>
<td>-</td>
<td>$752,000</td>
</tr>
<tr>
<td>Additional Unspecified Reduction</td>
<td>-</td>
<td>$35,000</td>
</tr>
<tr>
<td>Total Education Spending Growth</td>
<td>=</td>
<td>$469,236</td>
</tr>
</tbody>
</table>

**Baseline Education Spending Growth reflects the following cost increases**

- Funds all contractually required increases
- Includes state health insurance recapture ($173,010)
- Funds new debt service for capital improvements ($350,000)
- Various non-instructional reductions
Application of FY17 Surplus

Applying the $1,093,027 audited surplus from FY17 will reduce the tax impact by about 2 percentage points from whatever spending amount is adopted.

This is recommended in order to reduce the tax impact and avoid additional programmatic reductions.
## Tax Impact of Using Surplus

<table>
<thead>
<tr>
<th></th>
<th>Before Use of Surplus</th>
<th>After Use of Surplus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Budget</td>
<td>$84,997,349</td>
<td>$84,997,349</td>
</tr>
<tr>
<td>Education Spending</td>
<td>$63,046,446</td>
<td>$61,953,419</td>
</tr>
<tr>
<td>Education Spending Change</td>
<td>$1,562,263</td>
<td>$469,236</td>
</tr>
<tr>
<td>Tax Impact</td>
<td>9.89%</td>
<td>7.99%</td>
</tr>
</tbody>
</table>

This comparison shows the tax impact of applying the surplus to FY19.
Only the Education Spending portion of the total budget impacts tax rates.

The difference between the 0.80% per pupil spending increase and the 7.99% property tax increase is a result of the other factors that are unrelated to school spending. (See Tax Variables slide that follows.)

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Budget</td>
<td>$84,997,349</td>
</tr>
<tr>
<td>Education Spending</td>
<td>$61,953,419</td>
</tr>
<tr>
<td>Education Spending Change</td>
<td>$469,236</td>
</tr>
<tr>
<td>Per Pupil Ed. Spending Increase</td>
<td>0.80%</td>
</tr>
<tr>
<td>Property Tax Impact</td>
<td>7.99%</td>
</tr>
<tr>
<td>Key Variables</td>
<td>Status</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>---------------------------------------------</td>
</tr>
<tr>
<td>Education spending</td>
<td>$61,953,419 (less than 1% increase)</td>
</tr>
<tr>
<td>Equalized pupil count</td>
<td>4,099.67 (negligible decline)*</td>
</tr>
<tr>
<td>Homestead dollar yield</td>
<td>$9,842 (3.13% decline)*</td>
</tr>
<tr>
<td>Common level of appraisal</td>
<td>79.42% (3.6% decline)*</td>
</tr>
</tbody>
</table>

*Declining values put upward pressure on the tax rate.*
### Estimated Tax Implications

<table>
<thead>
<tr>
<th>Property Payers</th>
<th>Property Tax Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Rate (per $100 of value)</td>
<td>$1.9333</td>
</tr>
<tr>
<td>Difference from FY17 ($1.7903)</td>
<td>$0.1430</td>
</tr>
<tr>
<td>Tax on $250,000 homestead</td>
<td>$4,833</td>
</tr>
<tr>
<td>Tax Difference from FY17</td>
<td>$358</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Income Payers</th>
<th>Income Tax Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income Cap Percentage</td>
<td>2.55%</td>
</tr>
<tr>
<td>Difference from FY17 (2.50%)</td>
<td>0.05%</td>
</tr>
<tr>
<td>Tax on $50,000 household income</td>
<td>$1,274</td>
</tr>
<tr>
<td>Tax Difference from FY17</td>
<td>$24</td>
</tr>
</tbody>
</table>

Figures reflect rounding. For education taxpayers who pay based on income, the impact will be reflected on the fiscal year 2020 property tax bill. Existing law provides additional property tax relief for households with incomes below $47,000. This is known as a “circuit breaker.” Once a taxpayer qualifies for the circuit breaker, additional school district spending does not increase the taxpayer’s tax liability.
Ballot Language

Shall the voters of the school district approve the school board to expend $84,997,349 which is the amount the school board has determined to be necessary for the ensuing fiscal year? It is estimated that this proposed budget, if approved, will result in education spending of $15,111.81 per equalized pupil. This projected spending per equalized pupil is 0.80% higher than spending for the current year.

This is the text of the article that will appear on the Town Meeting Day ballot.
City Collaboration Update

BSD proposed the following additional collaborations that comply with AOE restrictions and ease pressure on the school budget.

- $275,000 of support for after school recreational activities
- $16,000 of support for allowable transportation costs
- $60,000 of support for restorative practices
- $100,000 of support for mental health services

The City could pay for these supports with PILOT or other revenues.

The City was only willing to commit to the transportation collaboration ($16k) and a small increase ($30k) in existing recreational supports.
Next Steps

**Board:**
Share approved budget recommendation with constituents

**Administration:**
Prepare ballot question
Prepare supporting documents, including line item budget.

**Community:** Vote on March 6th
Budget Development Timeline

11/14  School Board meeting
12/11  School Board meeting
12/20  Special School Board meeting
1/9    School Board meeting
1/16   Special Board meeting
1/22   Special Board meeting
1/23   Special Board meeting
3/6    Town Meeting Day budget vote

More budget information available at: http://wwwbsdvtorg/district/budget