

NATICK

PUBLIC SCHOOLS

FY20 Budget Final Overview Finance Committee



March 12, 2019



HOW WE GOT HERE



September/October 2018

Superintendent distributes to Program Leaders the FY20 budget forms. Principal and Administrators review class size, curriculum, staffing patterns and expense spending in each category. The zero based budgeting principles are used. Principals discuss the FY20 budget with school leaders at their school council meetings. Preliminary budgets are forwarded to the Director of Finance. Superintendent and Director of Finance begin reviews with Program Leaders regarding their requests. All requests are documented and reviewed.

November/December 2018

- ✓ A first draft of the budget is created and 7.1% increase is identified. This proposed budget includes staffing increases to meet mandated services, enrollment increases and 21st century learning initiatives as well as funds for collective bargaining agreements with our unions. Expenses are level funded except where contractual obligations exist in utilities, transportation and special education services.
- ✓ Draft budgets are reviewed and refined based on educational needs and available resources. The budget request is reduced to 6.0% with the elimination of several positions targeted to addressing 21st century initiatives.
- ✓ An initial presentation is made to the School Committee.
- ✓ The draft FY20 budget number is presented to the Town Administrator by December 31st.



HOW WE GOT HERE



January/February 2019

Town Administrator releases the FY20 Town Administrator's Budget Book on January 3rd.
Natick Public Schools are funded at **3.35%**

Presentations are created indicating the effects on education in the Natick Public Schools with the following proposed budgets scenarios:

- 3.35% - Town Administrator's Initial Budget
- 4.0% - Cost to "open the doors" or level funded
- 4.4% - Town Administrator's Amended Budget
- 5.7% - School District's Amended Budget**
- 6.0% - School District's Initial Budget
- 7.1% - School District's Fully Funded Budget



PRESENTATIONS

		Jan 2019							
3rd	Financial Planning Committee								
7th	School Committee - General Overview								
8th	Finance Committee - General Overview								
16th	Public Forum - Senior Center - General Overview								
22nd	Board of Selectmen - General Overview								
22nd	Financial Planning Committee								
28th	School Committee - Special Education/Transportation/Curriculum/Technology								
31st	Finance Committee - Education Subcommittee - Special Education/Transportation								
		Feb 2019							
5th	Finance Committee - Audit Request								
7th	Financial Planning Committee								
7th	Finance Committee - Special Education/Transportation								
11th	School Committee - Public Hearing								
14th	Finance Committee - Education Subcommittee - Curriculum/Technology								
25th	School Committee - Public Hearing								
28th	Finance Committee - Curriculum/Technology								
		March 2019							
5th	Finance Committee - Education Subcommittee								
11th	School Committee - Final Budget Presentation and Vote								
12th	Finance Committee - Presentation								
14th	Board of Selectmen - Vote								
19th	Finance Committee - Vote								
		April 2019							
9th	Annual Spring Town Meeting								





ENROLLMENT DATA

Summer Enrollment Data

Summer 2015:	123 students
Summer 2016:	47 students
Summer 2017:	54 students
Summer 2018:	104 students

Enrollment During the Year (2nd month through the end of SY)*



2014-15:	112
2015-16:	140
2016-17:	165
2017-18:	170
2018-19:	in process, most volatile time is now for homeschooling move ins

- Note: does not include preschool
- Does include ~10 students a year who move from NHS to Northstar (processed as new enrollment)
- Does include homeschool enters (quit homeschooling and come back to school)
- Mid-year school changes
- Totally new enrollments



FY20 EXECUTIVE SUMMARY

FY19 Appropriation: \$64,952,436

FY20 Increase: \$3,687,907

Total FY20 Request: \$68,640,343

Percent Increase: 5.7%



FY20 PERSONNEL SUMMARY

	<u>FY19 Budget</u>		<u>FY20</u>	<u>% chg</u>
<u>Compensation</u>				
Salary Base	\$ 48,140,970		\$ 50,548,056	
Steps, COLA, & Merit Adjustments	\$ 2,491,173		\$ 2,690,164	
Lanes	\$ 300,913		\$ 385,000	
Staff Additions	\$ 786,535		\$ 925,260	
Retirements/Turnover	\$ (320,000)		\$ (320,000)	
Compensation	\$ 51,399,591		\$ 54,228,480	5.50%



FY20 PERSONNEL REQUEST

Natick Public Schools			
FY20 Personnel Request			
Compliance, Enrollment and Kennedy Middle School			
Preschool ABA Tech	1.00	\$33,540.00	To support increase in intensity of student needs in \self-contained, sub-separate specialized program
Lilja Grade 2 classroom teacher	1.00	\$63,003.00	additional enrollment
KMS 1.0 Math/Science	1.00	\$63,003.00	additional students
KMS 1.0 L&L/Social Studies	1.00	\$63,003.00	additional students
Psychologist-Wilson	0.20	\$41,600.00	Current (.8) Psychologist at Wilson to be made 1.0 given increased need
Psychologist-Kennedy	0.50	\$31,502.00	Number of required assessments have been significant-current FTE of 1.0 at Kennedy not sufficient or meet needs
.5 PE/Health teacher	0.50	\$15,751.00	several health classes are up to 29 students per class
Special Education Teacher HS	1.00	\$63,000.00	To accommodate additional co-taught classes (.4) and addition of Essential Skills/Replacement courses (.6) for incoming 9th grade
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Special Education Teacher Wilson	1.00	\$63,000.00	EDBD Program Needs Growth
nursing adds if they aren't grant funded:			
Wilson Nurse	0.40	\$27,000.00	supplement not supplant and she's already full time
8th Grade Teacher - Wilson	1.00	\$60,330.00	
Preschool Nurse	0.40	\$27,000.00	
sub nurses		\$20,000.00	
Guidance Counselor - NHS	0.50	\$40,810.00	
Athletic Trainer	1.00	\$63,003.00	
BCBA	1.00	\$63,003.00	increased need
Paraprofessionals	3.00	\$75,000.00	1 at PreK, 1 @ Kennedy, 1 @ Wilson
Memorial Music teacher	0.20	\$17,212.00	increase from .8 to 1.0 based on case load
Music Teacher	0.50	\$31,500.00	
	16.20	\$925,260.00	



FY20 ADMINISTRATORS WHO RECEIVED STIPEND/BONUS ACCORDING TO CONTRACT OR PRIOR AGREEMENTS/PROCEDURES

<u>Administrator</u>	<u>Base Salary</u>	<u>Stipend/Bonus</u>	<u>FY20 Budget Book</u>
Davis	\$136,799	\$700	\$137,499
Downing	\$151,000	\$2,500	\$153,500
Ghilani	\$139,050	\$3,000	\$142,050
Balboni	\$128,207	\$1,000	\$129,207
Carney	\$142,444	\$500	\$142,944
Luff	\$145,230	\$4,000	\$149,230
Magley	\$98,615	\$1,000	\$ 99,615
Clayton	\$85,466	\$500	\$ 85,966
Maryland	\$84,254	\$2,000	\$ 86,254
Reilly	\$70,968	\$700	\$ 70,968
Culver	\$84,782	\$1,000	\$ 85,782
Barbato	\$21,840	\$500	\$ 22,340
Roche	\$134,751	\$2,000	\$136,751
Kinthead	\$122,795	\$500	\$123,295
Zitoli	\$142,444	<u>\$500</u>	\$142,944
		\$20,400	



SALARIES, BENEFITS, BONUS AND MERIT IN THE AGE OF MEPA (MA EQUITY PAY ACT)

- We are negotiating with all of our 6 unions, non-represented staff for the first time since the MA Equity Pay Act was enacted
- NPS HR conducted a 6 month study of pay equity within NPS (outreach made to then HR director for town) and a consultant was used to assist in conducting the study
- Study gives us protection while we have time to address identified gaps and issues
- Town Administrator and Dr. Nolin have met with counsel together to understand the coordination needed between town and school
- As contracts are negotiated, we are collaborating to ensure parallel treatment (paternity leave as an example)
- There was no discernible process or procedure for merit adjustments or bonuses and one will be created
- Town policy is not aligned with how schools go about this, Dr. Nolin is working with other systems to gather information and develop our methodology. For example, tying administrator compensation to metrics, evaluation rubric, etc.





FY20 EXPENSE BUDGET

	<u>FY19 Budget</u>		<u>FY20</u>	<u>% chg</u>
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Salary Base	\$ 48,140,970		\$ 50,548,056	
Steps, COLA, & Merit Adjustments	\$ 2,491,173		\$ 2,690,164	
Lanes	\$ 300,913		\$ 385,000	
Staff Additions	\$ 786,535		\$ 925,260	
Retirements/Turnover	\$ (320,000)		\$ (320,000)	
Compensation	\$ 51,399,591		\$ 54,228,480	5.5%
<u>Expenses</u>	<u>FY19 Budget</u>		<u>FY20</u>	<u>% chg</u>
Admin	\$ 438,205		\$ 438,205	
Technology	\$ 1,588,848		\$ 1,588,848	
Curriculum	\$ 805,387		\$ 805,387	
Online Learning	\$ 214,645		\$ 214,645	
Pupil Services	\$ 4,641,668		\$ 5,070,552	
Transportation	\$ 2,609,189		\$ 2,940,056	
Building Op & Maint	\$ 1,905,000		\$ 2,004,267	
NPS Schools	\$ 1,270,218		\$ 1,270,218	
Athletics & Activities	\$ 79,685		\$ 79,685	
Total Exp **	\$ 13,552,845		\$ 14,411,863	6.3%
Total Budget Request	\$ 64,952,436		\$ 68,640,343	5.7%
**This does not account for reductions/offsets presented in our first budget presentation				
Out of District Increases + \$428,884				
Transportation Increases + \$330,867				
(Accept + \$218,867, Reg Ed + \$44,000, Additional Bus + \$68,000)				
Utility Increases + \$99,267				



USE OF OUR REVOLVING ACCOUNTS

Natick Public Schools have 35 revolving accounts and 28 donation/grant accounts

Revolving Accounts

- 7 have balances greater than \$100,000
- 3 of these are Business Accounts:
(maintain 3 months operating reserves)
- 4 of these we are using in our FY20 Budget Proposal



Food Services
After School Activities Program (ASAP)
Summer School

Circuit Breaker - \$350,000
School Choice - \$100,000
Instrumental Music - \$100,000
School Bus Transportation - \$100,000

- **22 of these accounts have balance less than \$20,000**
- **Donation/grant accounts have specific limitations for usage**



USE OF OUR REVOLVING ACCOUNTS

Account	Projected Ending Balance 6/30/2019	Proposed Additional Use for FY20 Budget	Ending Balance
School Choice	\$200,000	(\$100,000)	\$100,000
Circuit Breaker	\$1,000,000	(\$350,000)	\$650,000**
Instrumental Music	\$118,000	(\$100,000)	\$18,000
Transportation	\$162,000	<u>(\$100,000)</u>	\$62,000
Total		(\$650,000)	

**Recommended balance for emergency placements - \$800,000



REVOLVING ACCOUNT – CIRCUIT BREAKER

FY16 Beginning Balance			\$ 884,057.20
Revenue		\$ 2,359,292.00	
Expenses		\$ 2,198,152.76	
Variance		\$ 161,139.24	\$ 1,045,196.44
FY17 Beginning Balance			
Revenue		\$ 2,380,689.00	
Expenses		\$ 2,214,986.27	
Variance		\$ 165,702.73	\$ 1,210,899.17
FY18 Beginning Balance			
Revenue		\$ 2,342,834.40	
Expenses		\$ 2,529,577.90	
Variance		\$ (186,743.50)	\$ 1,024,155.67
FY19 Beginning Balance			
Revenue		\$ 2,430,407.00	
Expenses		\$ 2,500,000.00	
Variance		\$ (69,593.00)	
FY20 Beginning Balance			\$ 954,562.67
Projected Revenue		\$ 2,200,000.00	
Projected Expenses		\$ 2,500,000.00	
Variance		\$ (300,000.00)	\$ 654,562.67

Circuit Breaker Analysis

Dept. Of Revenue guidelines state that we cannot hold savings in circuit breaker higher than our allocation.

What do other districts do?

- Needham – Use salary savings and town relief to fund SPED yearly
- Medway – Carry a balance forward and special stabilization fund from town for SPED
- Millis – Use Circuit Breaker the subsequent year and apply for emergency relief



FY20 TRANSPORTATION AND PARKING FEES PROPOSAL

Bus Fee Proposals and Fiscal Impact

✓To pay for cost of additional bus and to place fees closer to average of other districts = \$200



Fee increase = \$50 (\$200/child - \$400/cap) = \$110,000 additional income

Parking Fee Proposals and Fiscal Impact

Any funds collected at NHS for student parking must be deposited to the Town of Natick since the Town owns the parking lots. An agreement would need to be drafted allowing the Town allocated those fees back to the Natick School District. Proposed parking fees would mirror the cost of the student bus fees.

Approximately 350 spaces are available

\$200 per year = \$70,000 additional income



These estimates are approximate as there are discounts available for HOV parking and similar to the bus fees students would be eligible for a reduced fee if appropriate.

Total Additional Income = \$180,000



FY20 PROPOSED BUDGET RECOMMENDATION

FY20 Budget Request	\$68,640,343
Use of revolving accounts	(\$650,000)
Use of new revenues (bus fees/NPS parking fees)	<u>(\$180,000)</u>
FY20 Budget Proposal	\$67,810,343

Town Administrator's Original Proposed Budget =	\$67,125,771
Proposed Additional Funding =	<u>\$ 684,572</u>
Town Administrator's New Budget =	\$67,810,343

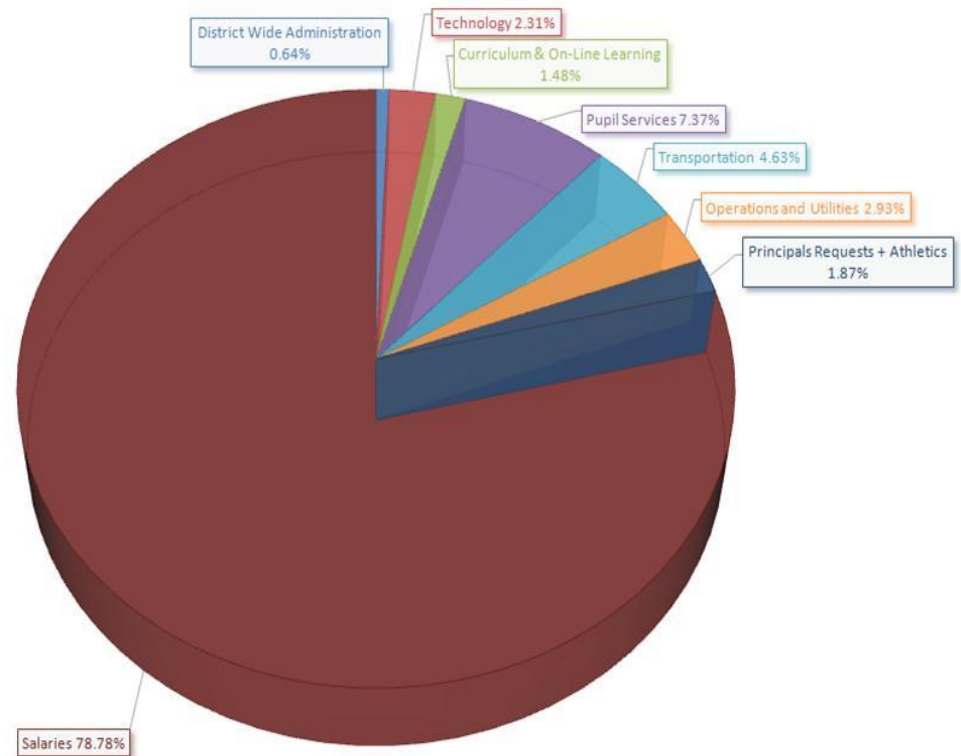




COULD THE ADDITIONAL FUNDING ADDRESS NON-PERSONNEL COSTS IN OUR 5.7% BUDGET?

**Over 78%
of our FY20 Budget
involves
Personnel
and
Related Costs**

FY20 SALARIES AND OPERATING EXPENSES BREAKDOWN





COULD THE ADDITIONAL FUNDING ADDRESS NON-PERSONNEL COSTS IN OUR 5.7% BUDGET?

Teacher Laptops (3 rd and final lease payment)	\$95,750
Incoming Freshmen Laptops (3 rd and final lease payment)	\$213,905
Additional iPads (3 rd and final lease payment) (Elementary School Classrooms)	\$ 66,980
Powerschool (Student Information System)	\$150,000
Literacy Consultant (last year of contract)	\$ 50,000
Renaissance Train the Trainer Training	<u>\$ 50,000</u>
Total (Non-personnel) costs	\$ 626,635



WITHOUT THE ADDITIONAL FUNDING – WHAT DOES A 4.40% BUDGET MEAN?

Unable to add
additional staffing and
capacity



- Unable to add additional staffing positions needed for compliance, enrollment and to address high academic standards – high middle school specials (29+) Grade 6 class size (KMS) = 27

Delay for another fiscal
year technology initiatives



- Unable to Increase our capacity for technology, curriculum and instruction to meet 21st century learning initiatives – NHS Lab and teacher laptop replacement halted for 2nd year

Possible general education
staff reductions (up to 15
staff) or reductions in other
line items



- Staff and/or line item reductions will be required in order to balance the budget at this funding level

Delay adding the staffing
needed for the opening of
the new JFK Middle School
in FY21



- The inability to phase in the staffing requirement for the new JFK Middle School in FY21 will dramatically increase the funding request next year



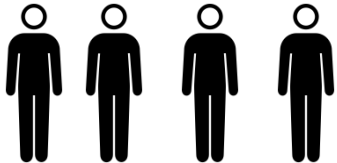
FY20 PERSONNEL REQUEST ADDRESSING THE JFK MIDDLE SCHOOL

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Kennedy Middle School	4.50	\$267,759	



HOW DOES THE FY20 BUDGET AFFECT THE OPENING OF THE NEW KENNEDY MIDDLE SCHOOL IN FY21-FY22?

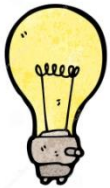
With the opening of the new Kennedy Middle School beginning with the addition of 2 new modular units September 2019 and opening of the school in February 2021, projected additional personnel and operational costs will need to be added:



Assistant Principal
2 Custodians
4 Teachers

Projected = \$742,759

	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>
Phase-in	\$267,759	\$750,000	\$0
No Phase-in		\$1,017,759	\$0



Utilities
Maintenance
Supplies

Projected = \$400,000

<u>FY20</u>	<u>FY21</u>	<u>FY22</u>
	\$100,000	\$300,000



HOW DOES THE FY20 BUDGET AFFECT THE OPENING OF THE NEW KENNEDY MIDDLE SCHOOL IN FY21-FY22?

With the opening of the new Kennedy Middle School beginning with the addition of 2 new modular units September 2019 and opening of the school in February 2021, projected personnel and operational costs are estimated as follows*:

FY21 Funding with JFK Middle School Phase In.....6.7%

FY21 Funding without JFK Middle School Phase In.....10.9%

FY22 Funding with JFK Middle School Opened.....5.7%



* These projections assume a 5.7% budget in FY20. Projections include steps, lanes, COLA, staff additions and inflation (FY21- 2.04 FY22 – 2.07%)



**FOR FURTHER INFORMATION OR IF YOU HAVE
ANY QUESTIONS PLEASE CONTACT:**



KENNEDY MIDDLE SCHOOL



**Anna P. Nolin, Ed.D.
Superintendent of Schools**

**Peter H. Gray, Ed.D.
Director of Finance**



THANK YOU



for your continued support!

NATICK PUBLIC SCHOOLS

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JOIN OUR EMAIL LIST!

