

Proposal for a \$7.9M operating override

Presentation to the Board of Selectmen
September 23, 2014

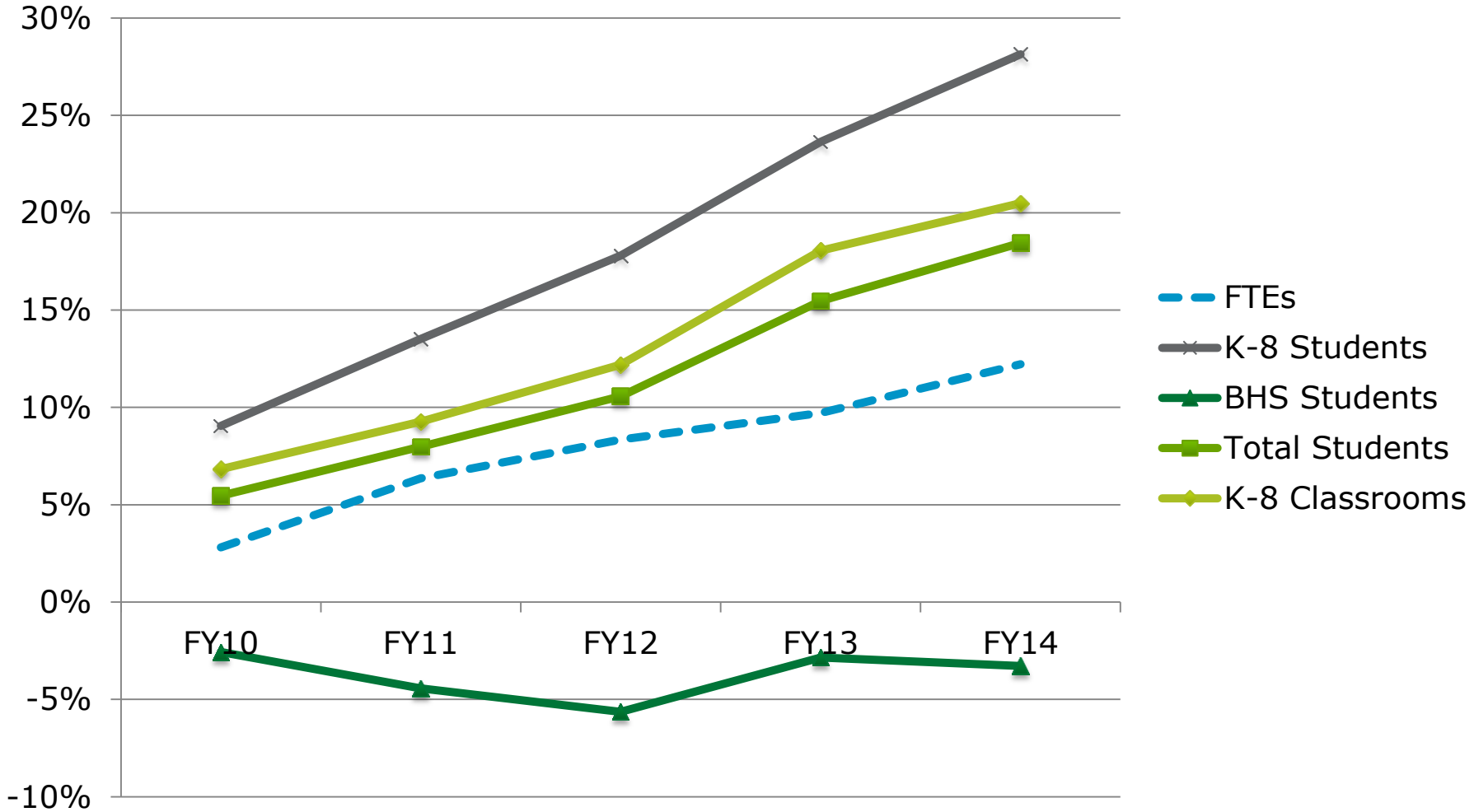
Summary: Proposal for \$7.9M operating override

Provide sufficient revenue to:

- Address future school deficits driven by high enrollment growth
- Fund classrooms, program supports and technology at a level that retains hallmark quality of Brookline schools, still requiring:
 - Modest increase to class size, primarily in upper grades, as possible within current policy, buffer zones and placement process
 - Modest reduction in programmatic supports and technology, via further careful prioritization by PSB
 - Careful management of Materials Fee program size as PSB staff increases
- Manage through an era of uncertainty
 - Enrollment, collective bargaining, special education, healthcare, and state aid are large budget drivers and difficult to predict
 - Consistent with Brookline's tradition of infrequent general overrides

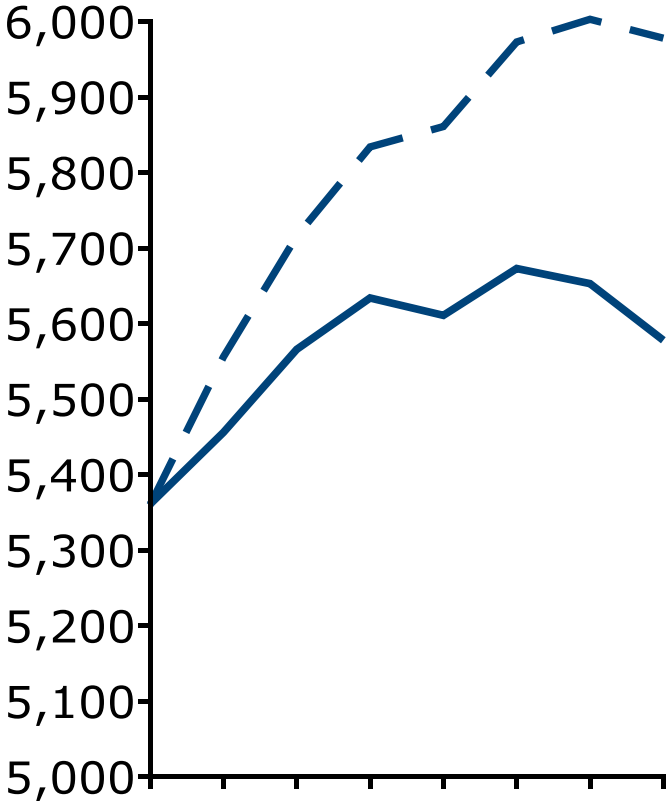
Enrollment growth is the primary driver of PSB budgetary pressure

PSB Growth over 5 years

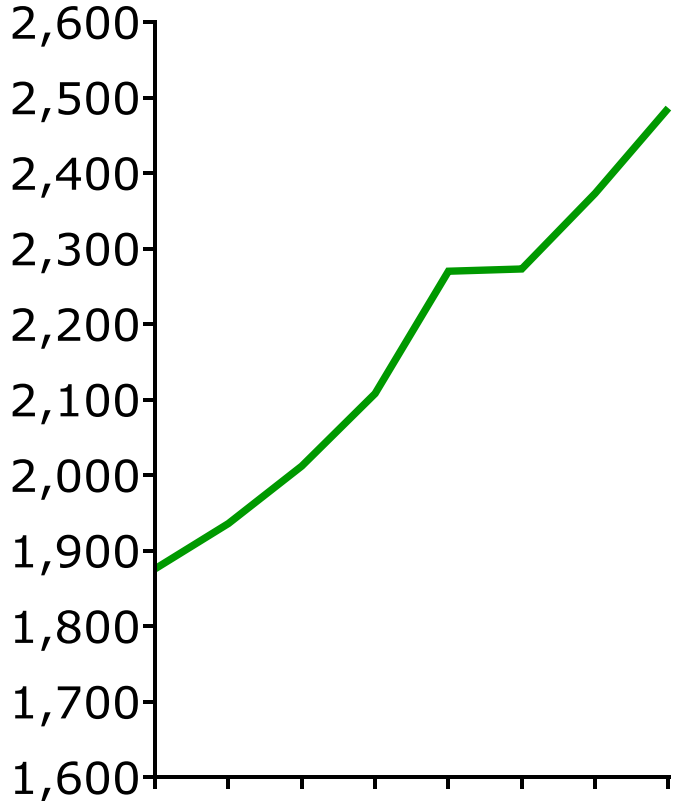


And enrollment pressure is likely to continue, particularly at the high school

K-8 enrollment projections (2015-2022)



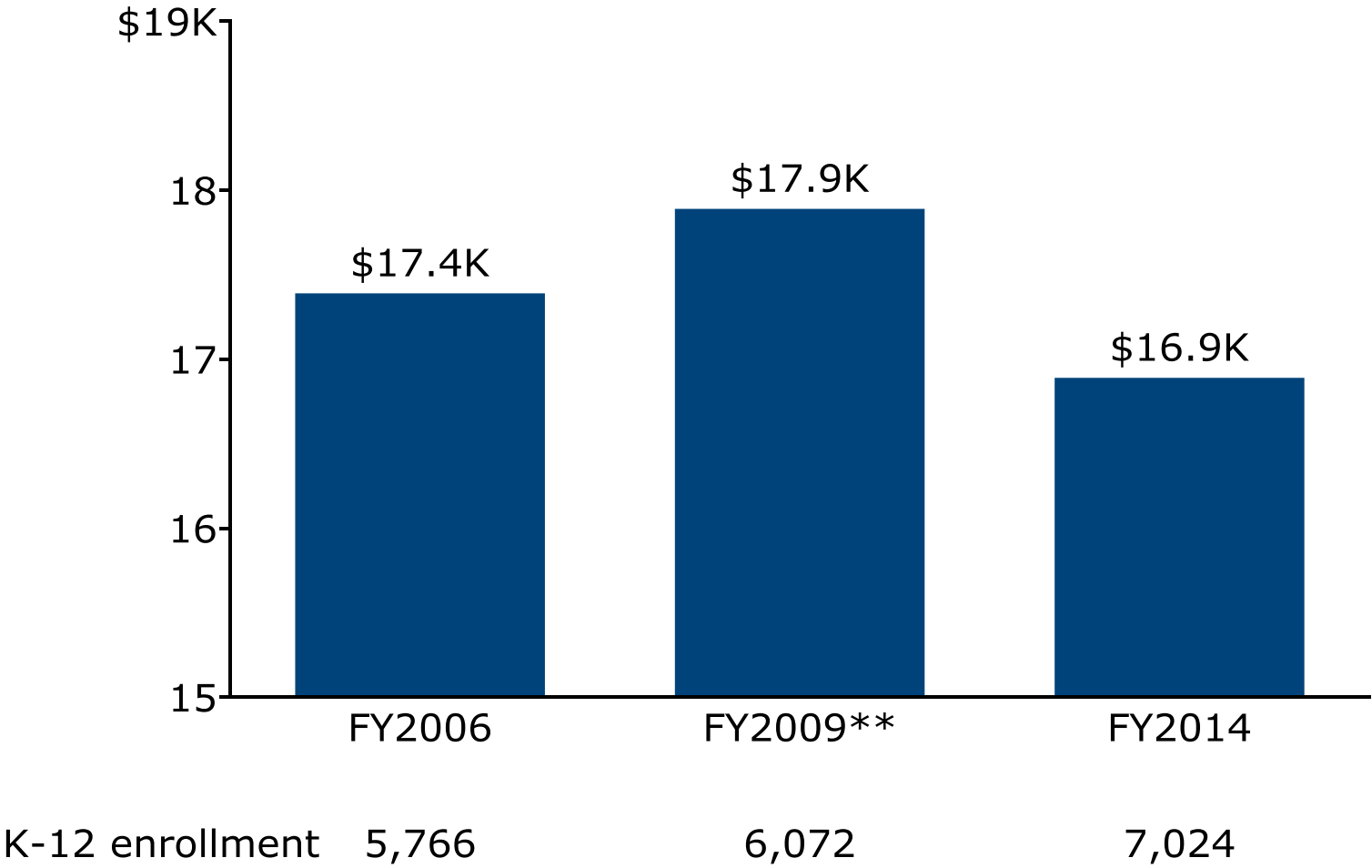
High School enrollment projections (2015-2022)



- K at 680 students, reducing to 650 in 2020
- K at 630 students, reducing to 600 in 2020 (base case)

PSB per student spending has declined, even after adding World Language and extending the school day

Average per student inflation-adjusted spending*

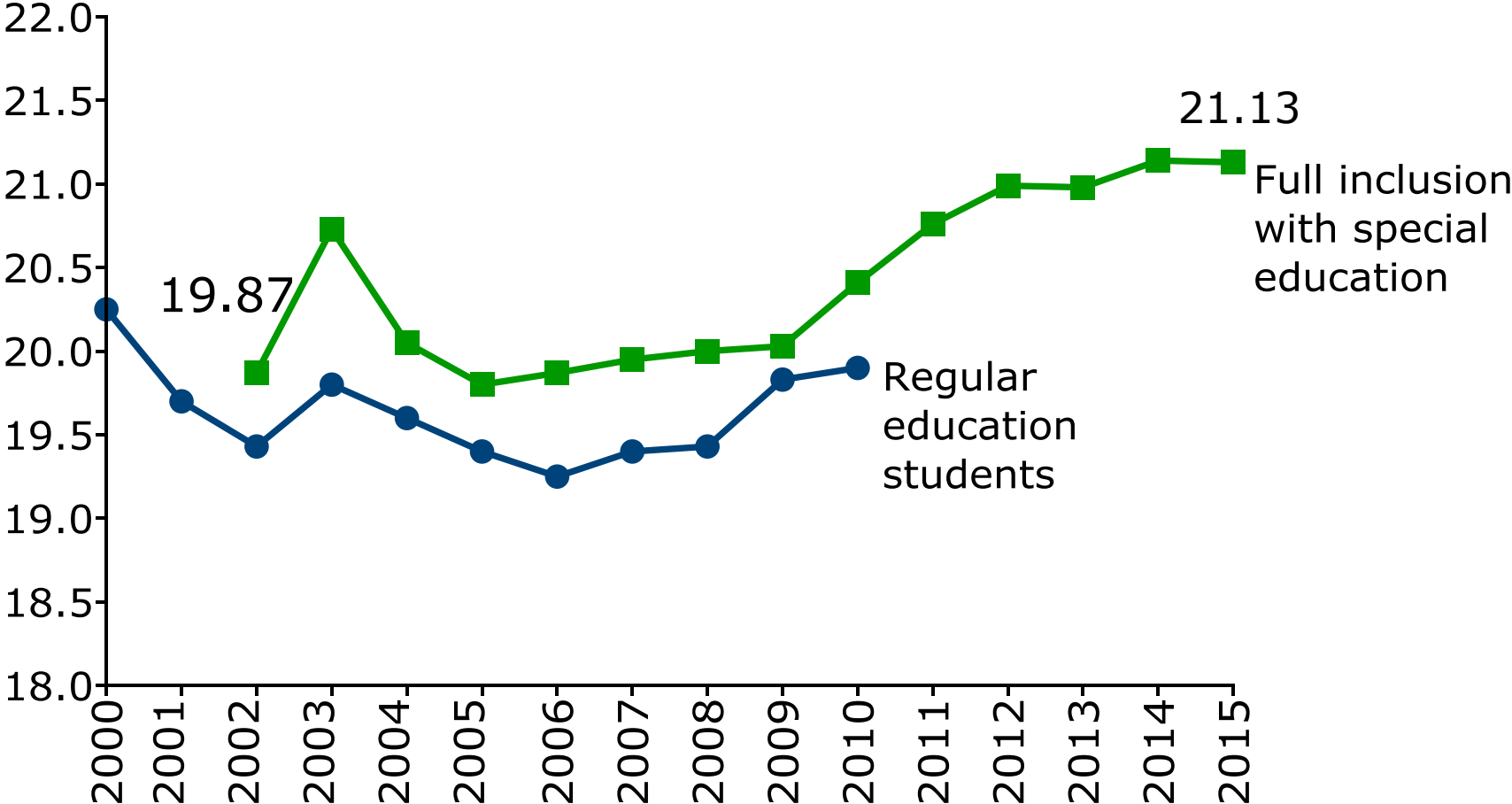


*Includes CIP

**2008 override added Elementary World Language Program and extended the school day

Average class size increased by 1.3 students since 2002; further increases possible but have trade-offs

Average K-8 class size



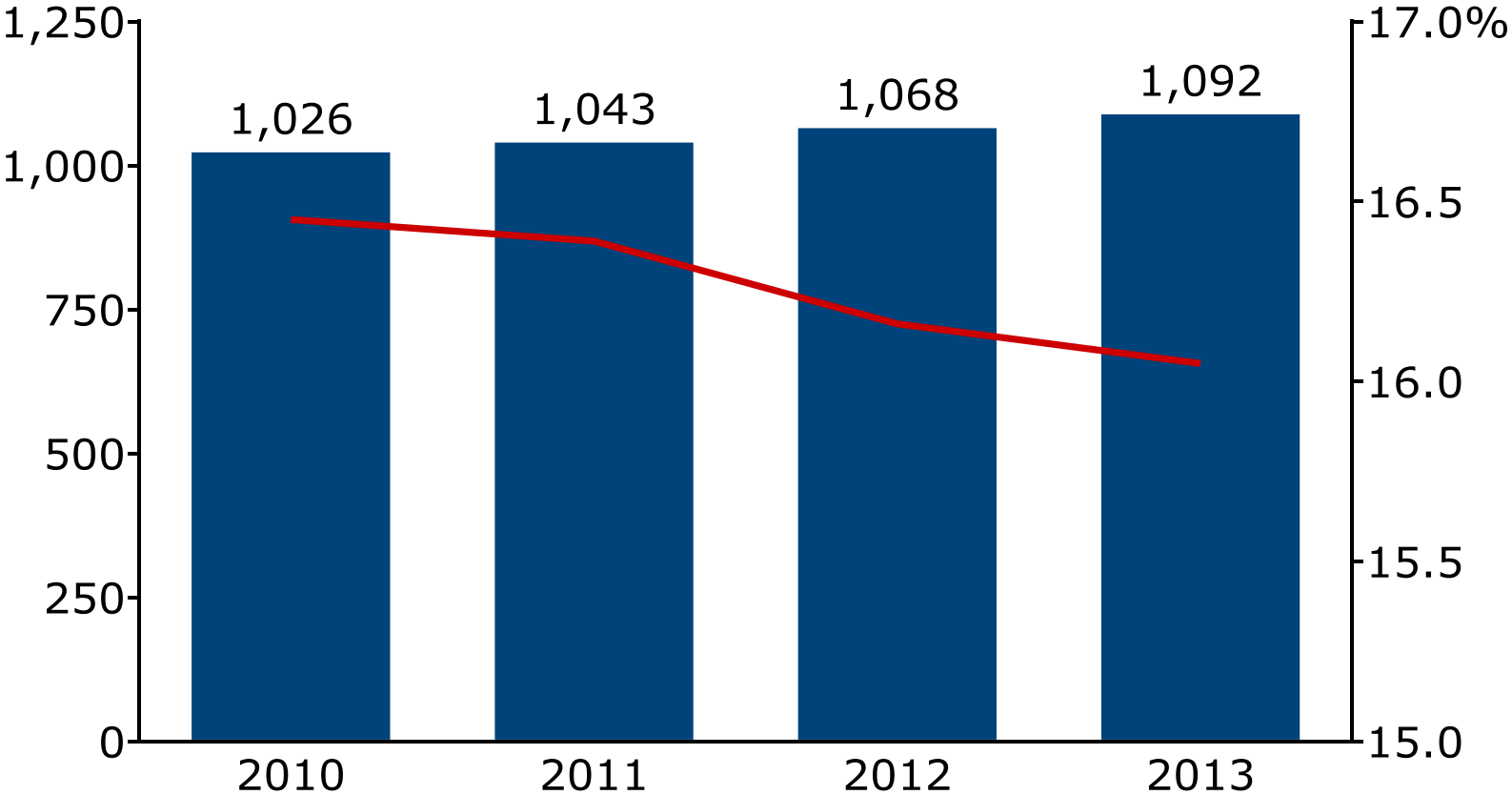
Funding for program supports is critical to serve growing enrollment and higher needs students

- While PSB prioritized keeping teachers in the classroom, funding for program supports has fallen behind
- In addition to restoring earlier staffing levels, program supports are a high priority in order to:
 - Ensure continued ability to **prevent special education referrals**; 2006 staffing levels do not reflect more recent changes to PSB approach
 - **Address new state mandates**, which increase demands on staff (e.g., bullying prevention, Response to Intervention and Educator Evaluation regulations)
 - Provide regular education interventions to **reduce achievement gaps** amidst growing class sizes, particularly for students from disadvantaged backgrounds
 - **Prevent behavioral issues** that could become more prevalent in larger K-8 schools

PSB changed its special education approach to focus on prevention and inclusion; results are positive so far

of K-12 students receiving special education services (bar)

% of K-12 students receiving special education services (line)



Note: Includes students placed out of district; does not include pre-K or 12+ students

Funding for technology has also fallen behind

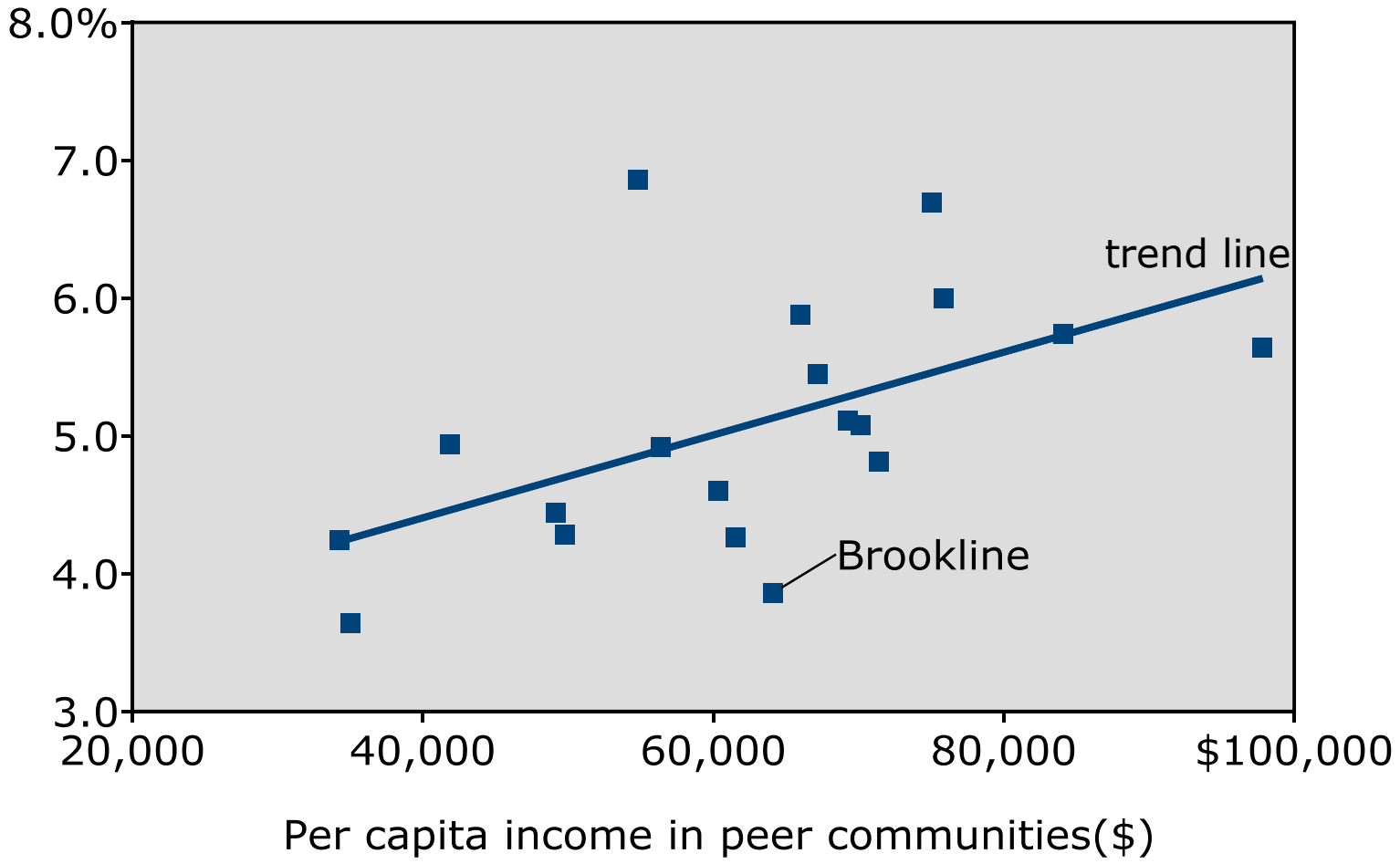
K-8 School	FY14 Students per instructional computer
Baker	6.42
Devotion	6.25
Driscoll	6.26
Heath	2.90
Lawrence	6.92
Lincoln	7.62
Pierce	8.08
Runkle	4.62
Average	6.14



- PSB lags behind peer school districts in technology resources
- Distribution of devices across the system is inequitable
- OSC broadly supports creating **equitable access** to devices, reducing **replacement frequency** to 4 years, and providing **applications** and **mounted projection**
- While **staffing and professional development** plans were not completed for OSC review, we are persuaded that some level of increase is likely needed to support implementation

Brookline property values and housing costs are high; yet tax relative to income remains lower than peers

Percentage of income paid in taxes in peer communities



Note: Percentage of income paid in taxes within a community is calculated by dividing average tax by per capita income. A list of peer communities and source data can be found in Aug 2014 OSC Capacity to Pay report

In our view, the risk of needs being even greater than projected is high

Key uncertainties	3-year operating change
School collective bargaining to 2%	\$ 2.79M
Increase K enrollment by 20 (to 650)	\$ 0.67M
Increase K enrollment by 50 (to 680)	\$ 1.49M



If the override is smaller, we will likely need to return to voters with another override in the near-term