

Section III: Program 1000: Education

This section includes detailed information about the FY2018 Operating Budget & Financing Plan for education. It includes:

- 1100 Lexington Public Schools III-2
- 1200 Minuteman Regional High School III-10

Mission/Vision Statement: The Lexington Public Schools serve to inspire and empower every student to become a lifelong learner prepared to be an active and resilient citizen who will lead a healthy and productive life. Educators, staff, parents, guardians and community members will honor diversity and work together to provide all students with an education that ensures academic excellence in a culture of caring and respectful relationships.

The Lexington Public Schools is responsible for providing a high-quality education program to all school age residents residing within the boundaries of the Town of Lexington. Lexington Public Schools focuses on continuous improvement and strives to be a collaborative, high-performing District. This helps ensure that its mission is met and all students are successful. In order to support the curriculum, a myriad of support services are provided daily to our students. The school system provides competitive student-teacher ratios; programs such as arts, music, drama, physical education, wellness, athletics, world language, school counseling, interventions, enrichments, advanced placements; individualized education plan supports; and various specialists and coaches throughout the District.

Budget Guidelines: On September 6, 2016, the School Committee voted the FY2017-18 budget guidelines and requested that the Superintendent present a level-service budget that addresses the twelve highlighted areas. These guidelines serve as the basis for the Superintendent's Recommended Budget in FY2017-18. For purposes of clarification, a level-service budget is defined as the funds necessary to replicate the current level of services provided, accommodating increases in enrollment, all legal requirements, including current collective bargaining requirements and special education laws. The FY2017-18 budget guidelines are as follows:

In order to provide for the educational needs of Lexington students, the Superintendent will develop a fiscal year 2018 budget that will:

1. Ensure all legal and contractual mandates will be met.
2. Include sufficient operating and capital funds to –
 - (a) continue the current level of services;
 - (b) be responsive to projected enrollment growth and corresponding needs: staffing, instructional supplies, and facility needs;
 - (c) move the district forward in meeting the increasing demands for technology and technology services in our different educational settings.
3. Ensure professional staffing guidelines will be met.
4. Maintain capital assets in order to support the instructional program, protect the physical assets of the Town of Lexington, and ensure the health and safety of our students and staff.
5. Continue to identify and plan alternatives that will provide existing services and programs in more cost-effective ways.
6. Identify ways to reduce costs, if there are insufficient monies available to fund a level-service budget.

1100 Lexington Public Schools

Town of Lexington, Massachusetts

7. Identify funds necessary to implement a central registration process that addresses space needs for all students including any future student assignments, as well as feeder patterns for our middle schools and special education programs.
8. Identify funds necessary to implement a new administrator induction program.
9. Identify funds to support effective special education programs PreK-12, including required program evaluations.
10. Identify funds necessary to address hardware and network impacts for phase-in plan for computer-based MCAS testing.
11. Identify funds necessary to support the implementation of H4406, Dyslexia screening bill.
12. Identify costs associated with changes in school start times.

Recommended Budget and Summary of Significant Budget Changes: On January 31, 2017, the School Committee voted to approve the FY2017-18 budget request for the 2017 Annual Town Meeting. The recommended budget for 2017-18 is \$101,850,333, which requires an additional \$4,557,034. The FY2017-18 request represents an increase of 4.68% over the FY2016-17 appropriation.

Appropriation Summary	FY 14 Actual	FY 15 Actual	FY 16 Actual	FY 2017 Budget	FY 2017 Budget (adj)	FY 2018 Recommended	Dollar Increase	Percent Increase
Salary and Wages	\$ 68,264,740	\$ 73,057,650	\$ 76,222,211	\$ 81,785,398	\$ 83,074,346	\$ 85,948,669	\$ 2,874,323	3.46%
Expenses	\$ 11,700,076	\$ 12,215,151	\$ 13,059,908	\$ 15,507,901	\$ 14,218,953	\$ 15,706,513	\$ 1,487,560	10.46%
Total 1100 Lexington Public Schools	\$ 79,964,816	\$ 85,272,801	\$ 89,282,114	\$ 97,293,299	\$ 97,293,299	\$ 101,655,182	\$ 4,361,883	4.48%
* Amounts shown are general fund only and does not reflect spending supported by Labbb Credit, Circuit Breaker Funds, Revolving Funds, or local/state/federal grant funds								
						Transfer to Undassified (Health, Medicare, Workers Comp) \$ 195,151	12.30 FTE	
						Total Recommended \$ 101,850,333	\$ 4,557,034	4.68%
						Unallocated from Revenue Allocation Model \$ 1,875,479		

As described above, the total recommended budget increase is 4.68% over the FY2016-17 appropriation, inclusive of benefits, Medicare, and Workers' Comp costs associated with new positions. For comparison, the FY2016-17 budget recommended an increase of 6.16% (\$5,666,900) above the FY2015-16 appropriation, inclusive of benefits, Medicare, and Worker's Comp costs associated with new positions.

The FY2017-18 budget recommends that the salaries and wages line increase by \$2,874,041 (or 3.46%) to support the addition of 12.30 FTE included in this budget. For comparison, the FY2016-17 budget recommended an increase of \$3,158,074 (or 4.02%) to accommodate the recommended increase of 30.00 FTE.

The expense line is recommended to increase by \$1,487,560 (or 10.46%) over the FY2016-17 appropriation. The increase in the expense budget is largely driven by three main factors. These include the increases in the Regular Ed Transportation, Special Ed Transportation, and Out-of-District

1100 Lexington Public Schools

Town of Lexington, Massachusetts

Tuition budget lines. These three budget lines are recommended to increase by \$1,225,216. This is approximately 82.4% of the recommended expense budget increase. The remaining 17.6% of the increase (\$262,344) is a function of per-pupil adjustments, cost of living adjustments, and other minor expense requests. For comparison, the FY2016-17 budget recommended an increase of \$2,074,909 (or 15.45%).

The major drivers in the recommended school budget are a result of the following explained in further detail:

Negotiated Salary Increases: The FY2017-18 budget includes funding for all negotiated bargaining unit increases and non-union positions. This includes both step increases and cost of living adjustments (COLA). Estimated amounts are used for both contracts that remain unsettled as well as non-bargaining units. The current status of collective bargaining agreements and corresponding expiration dates can be seen below:

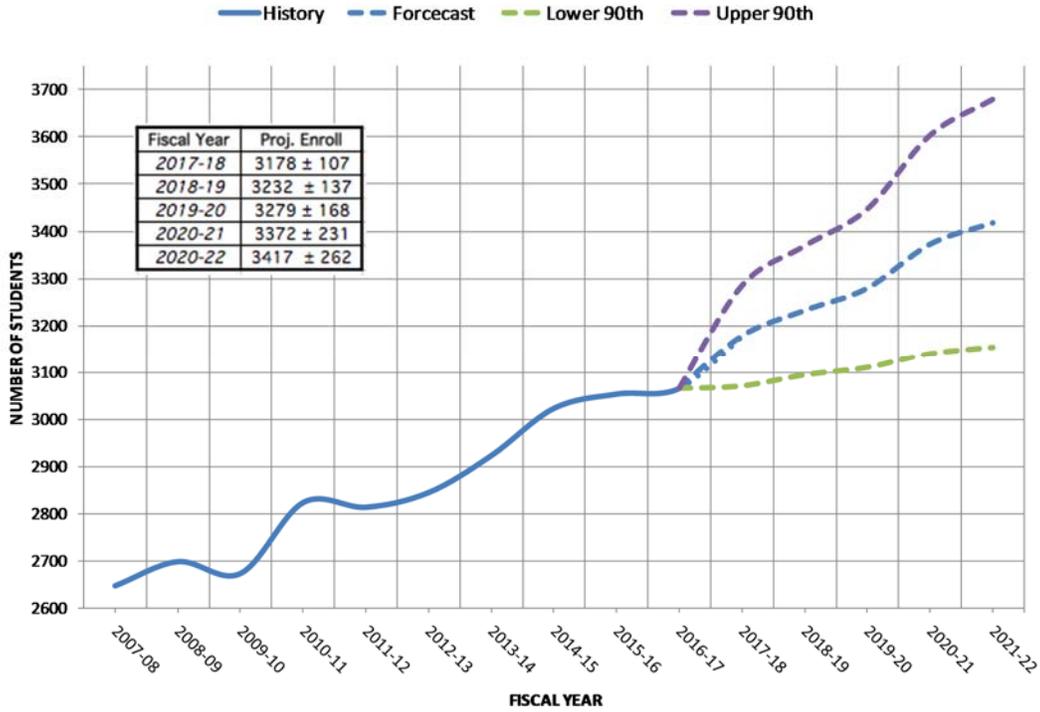
Bargaining Unit	Contract Term
LEA - Unit A	09/1/15-8/31/18
LEA - Unit C	09/01/15-08/31/18
LEA - Unit D	07/01/15-06/30/18
LEA - Tech	07/01/15-06/30/18
ALA - Administrators	07/01/15-06/30/17

Enrollment Increases and Corresponding New Positions: During the past five years, K-12 enrollment at Lexington Public Schools has increased by 620 students (+9.7%), or an average of 124 students per year (1.9% per year). These past increases have had a direct impact on the School Department operating budget each year to accommodate these new students and maintain the level of programming offered by Lexington Public Schools.

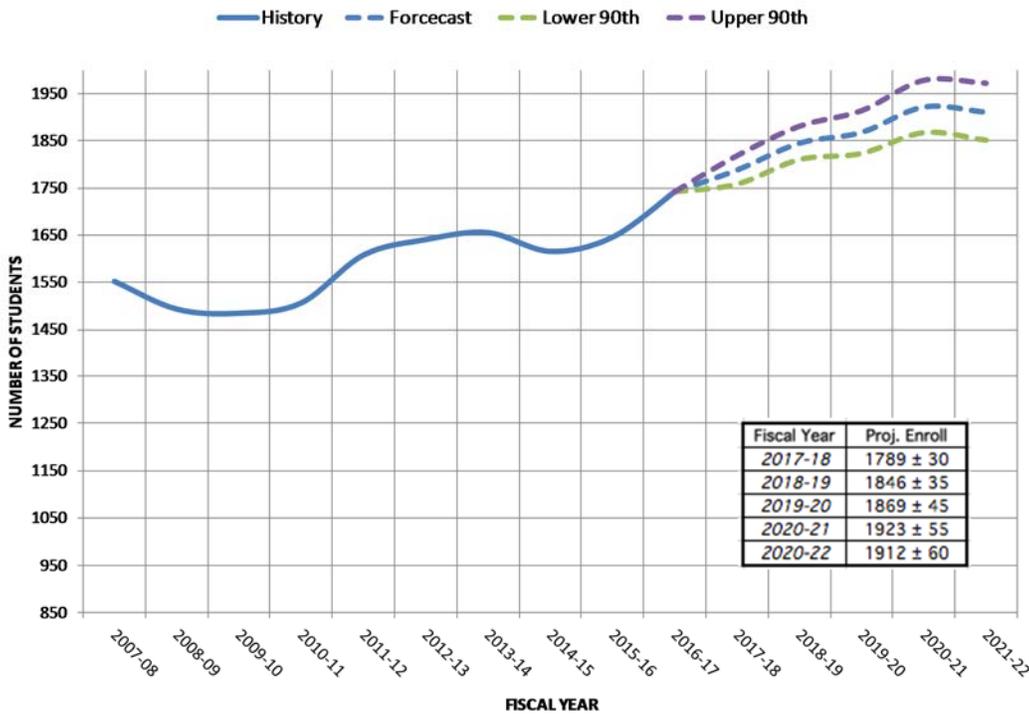
The District has completed an updated version of the Lexington Public School Enrollment Projections based on the Enrollment Advisory Group’s methodology. The updated projections are generally higher than the last year’s projections with generally narrower confidence intervals. These projections show that next year, the K-12 enrollment is projected to increase by 169 students (6,994 to 7,163), which is an increase of 2.42%. Over the full five year period the projection shows a total increase of 802 students (for a total of 7,796 students; or 11.5% higher than current levels) from FY2016-17 levels (about 2.3% per year).

In order to better demonstrate the full impact of increasing enrollment to date and the projected trends visually at the various levels (elementary, middle school, high school) three charts have been provided below:

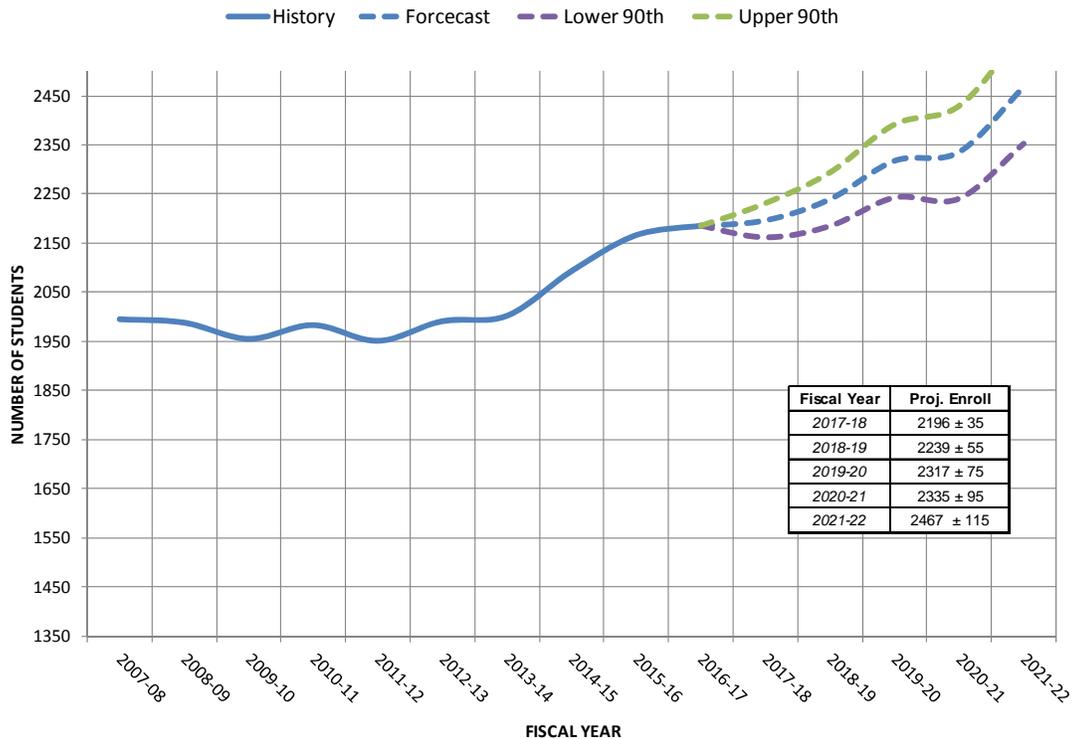
Elementary School Enrollment: History and Forecast for FY2018 to FY2022 (HDM)



Middle School Enrollment: History and Forecast for FY2018 to FY2022 (CSM)



High School Enrollment: History and Forecast for FY2018 to FY2022 (CSM)



In order to address the increasing enrollment projected for FY2017-18 (169 students, or 2.42%), additional positions are included in the recommended budget. A total of 10.27 FTE are linked with the increasing enrollment in Lexington, and the necessary staffing needed to maintain the quality and level of service. In total, the recommended increase in staffing for the 2017-18 budget year is 12.30 FTE.

Special Education Costs: The FY2017-18 budget includes an increase of \$762,240 to fund the cost of out-of-district tuitions next year. While the overall average cost for an out-of-district tuition placement is projected fairly flat, there was an overall increase in total number of projected students to be placed out of district (133 students to 138 students). Additionally, the District is projecting a reduction in the Circuit Breaker claim amount due to students graduating, aging out of the system, or relocating out of the district. Circuit Breaker claims function on a one-year lag, which means that FY2016-17’s expenditures will be reimbursed during the FY2017-18 budget year. It is important that the District adjust its projected reimbursement based on known changes to students both in-district and out-of-district.

The FY2017-18 budget includes a reduction of 1.49 FTE for the Special Education Department. While overall District enrollment and staffing is growing, the Special Education Department resulted in a net decrease in overall staffing needs next year. This is the result of diligent review of staffing needs at all levels during the budget process ensuring that positions are re-assigned based on shifts in student enrollment. Positions are only being added where necessary and are being transferred/re-assigned based on overall District need. This is demonstrated in the Base Changes section of the *Recommended Budget* section of the School Committee’s Budget document.

Transportation Costs

Regular Education Transportation - Regular Education Transportation is recommended to increase \$346,080 to address increases in enrollment. The ridership projections used to develop the FY2016-17 transportation budget were exceeded, which resulted in the addition of three buses to address overcrowding and increases in ridership. The FY2017-18 budget accommodates these additional buses added in FY2016-17, the ability to add an additional 3 buses in FY2017-18, as well as accommodate contractual rate increases. FY2017-18 is the first year of a five-year agreement with C&W Transportation.

Special Education Transportation - Special Education Transportation is recommended to increase \$116,896 to address additional service needs for in-district transportation for expanding in-district programs, additional out of district student transportation, and anticipated increases in contract rates. FY2017-18 is the third year of a five year agreement.

Capital Projects

School Department Capital - The FY2017-18 budget includes a total of \$1,529,900 in recommended Capital projects through the Town Capital Improvement Plan. Of this amount, \$75,000, will be funded through the School Lunch Program's Revolving fund and \$1,454,900 will be funded through General Fund sources. The total capital request is comprised of three sections: Food Service Equipment; School Furniture, Equipment, and Systems; and School Technology Capital. Food Service equipment needs to be maintained and replaced regularly to ensure that service levels are met within the program. Administration is currently working with a vendor to inventory all assets under the program to better develop a five-year Capital and Preventative Maintenance Program. Purchasing furniture, equipment, and systems in each of our school buildings is critical to ensuring students and staff have proper furniture and equipment to deliver instruction. The administration is currently developing an inventory system and will work with Principals to develop a more detailed 5-year replacement cycle to identify future fluctuations more accurately. The investment in replacing aging technology equipment and systems as well as investing in future needs/demand is critical to a school system functioning in the 21st century. State requirements, including online testing for the MCAS, require the District to make investments in Technology to ensure a smooth transition. The administration assembled an Educational Technology Task Force to develop a multi-year plan, as described later in this section.

Public Facilities Capital - The FY2017-18 budget includes a number of projects to continue addressing District capacity and safety concerns. The budget includes projects to ensure our current assets are properly maintained; are used to their maximum extent possible; are safe for both students and staff; and have sufficient long-term capacity to address our continued enrollment growth. The District is currently undergoing major construction projects at both middle schools to expand capacity, which will be available in the fall of 2017. Further, two modulars are being added to Bowman, Bridge, and Fiske each for a total of six modulars, which will be completed in the late spring of 2017. The Town is currently partnering with Massachusetts School Building Authority (MSBA) to address the aging Maria Hastings Elementary School facility, working towards a 30-section elementary school able to accommodate 645 students. Also, most recently, the location of the Lexington Children's Place (LCP) has been identified as preferred at the 20 Pelham Rd. property, which is adjacent to the new Community Center allowing for joint School/Municipal use of the property. This project would allow for the LCP to vacate the current Harrington/Central Office location providing

additional needed capacity for the Harrington Elementary School. Longer term discussions have begun to address the continued growth at the aging Lexington High School facility. The original HVAC project has been significantly reduced based on project cost increases and long-term capacity concerns. Enrollment projections continue to show this site growing further strained in the coming years. Long-term planning to address space needs for this location continue to move forward.

Federal Grants: The FY2017-18 School Department budget includes \$207,282 for the potential reduction of Federal Grants based on the change in administration at the federal level. This set-aside represents about 10% of the current federal grant awards received by the District. At this time, there is no firm indication that the administration is aware of that federal grant programs will experience any significant reductions. In consultation with the Town, in addition to the 10% set-aside previously described, the administration feels it has identified sufficient reserves to address additional reductions in grant awards.

Central Registration: The FY2017-18 School Department budget includes staffing for the full implementation of Central Registration district-wide (PreK-12). Staff are currently implementing phase 1 of the Central Registration process spanning PreK-5 registrations, which began successfully in February 2017. This initial phase includes the procurement of Registration Gateway to process all registrations electronically; the establishment and outfitting of the Lexington Public Schools Central Registration Welcome Center at Central Office; and staffing to process registrations beginning in January 2017 for incoming families PreK-5. The FY2016-17 budget dedicated 2.0 FTE to launch this first phase. This includes a 1.0 FTE Registration and Enrollment Specialist and a 1.0 FTE Administrative Assistant dedicated to Central Registration. These positions were funded within the FY2016-17 budget allocation approved by School Committee. The FY2017-18 budget includes an additional 1.50 FTE dedicated to Central Registration. These increases were also funded within the School Committee's approved FY2016-17 FTE levels (0.50 FTE transferred from Bowman and 0.50 FTE from Bridge). The additional staffing will support the full implementation of Central Registration spanning PreK-12. Funding is also included for the continued support of Registration Gateway.

Central Registration will allow for a consistent registration process and residency verification to take place. Ensuring families are legal residents before enrolling in the Lexington Public School is critically important. The addition of a Residency Officer will help ensure that these requirements are met and monitored regularly. By centralizing the registration process for the whole district this will allow for improved data collection, data consistency, and data accuracy, which is critically important to operating an efficient and accountable school system.

Administrator Induction Program: The FY2017-18 School Department budget includes funding for stipends to compensate mentors as part of the Administrator Induction Program implemented during the 2016-17 budget year.

Educational Technology Task Force: During the FY2016-17 budget year, the Director of Educational Technology convened a task force to develop a multi-year plan to address the long-term needs of the District and ensure strategic planning is part of the decision making process for Technology. This report will better inform the planning process for both the District's Capital and Operating budgets going forward.

Online MCAS Testing: In FY2016-17, MCAS testing for Grades 4 and 8 is being conducted online. The School Department is able to address the device needs within its existing appropriation. The

1100 Lexington Public Schools

Town of Lexington, Massachusetts

development of the FY2017-18 budget accounted for these on-going impacts as well as year 2's implementation of web-based MCAS testing for Grade 5 and 7. Funding is included in both the FY2017-18 Capital and Operating budget to accommodate these unfunded mandates.

Dyslexia Screening Bill: During the FY2016-17 year, the Curriculum and Special Education Departments are piloting methods/systems to address the Dyslexia screening bill currently being reviewed and revised by the Massachusetts Legislature. The latest draft of this Dyslexia Screening Bill (H4406) was last reported favorably and referred to the committee on House Ways and Means. The District has included \$36,450 to address implementation in FY2017-18.

School Start Times: Starting in the beginning of 2017, the administration is assembling a task force to further research the impacts of changing school start times. This work will involve multiple stakeholders, which will continue into the FY2017-18 budget year. These meetings will identify any recommendations for School Committee's consideration and corresponding cost impacts.

Email Communication System: The FY2017-18 School Department budget will implement the final stages of the transition to a new email communication system. During the FY2016-17 budget year, a task force was assembled to evaluate our current email communication system (FirstClass Client). This process involved multiple stakeholders over the course of four months to research available systems such as FirstClass Client, Google (G-Mail), and Office 365. The task force's recommendation was to shift our district-wide email communication system to G-Mail. This recommendation was approved and staff were notified on December 12, 2016. The transition will occur over multiple months and additional funds are included in the K-12 Technology budget to assure a smooth transition.

Per Pupil Expenditure and Consumer Price Index (CPI) Adjustments: The FY2017-18 budget includes funds to adjust expense budgets by a CPI of 2.3%, as published by the Bureau of Labor Statistics, to account for annual increases in costs due to inflation. Additionally, those budgets with per pupil expenditures have been updated based on the official October 1, 2016 enrollment data. The total recommendation to address these increases is \$188,073. A full listing of expense budget changes can be found in the *Recommended Budget* section of the School Committee's budget document. The detailed listing of all expense budgets can be found in the *Expense* section of the School Committee's budget document.

Program Improvement Needs: The FY2017-18 budget includes no additional staffing for program improvements. The Expense budget includes very minor program improvements totaling \$17,780. The detail of these increases can be found in the *Recommended Budget* section of the School Committee's budget document.

Budget Documents are available at <http://lps.lexingtonma.org/Page/9714>.

1200 Minuteman Regional High School

Town of Lexington, MA

Budget Overview: The Regional School subprogram budget pays for the assessment levied by the Minuteman Regional Vocational Technical School District to support the operations of the School. Minuteman is a regional school, located in Lexington and Lincoln, which provides technical and academic education for students in grades 9-12 from the Minuteman district, which will include 10 towns as of July 1, 2017, and out-of-district students.

Minuteman Tech’s programs include courses in biotechnology, environmental technology, computer programming, printing, commercial art, cosmetology, early education, carpentry, drafting, auto body repair and welding, as well as four-year academic and college preparatory programs. In addition, adults can pursue a variety of continuing education programs at Minuteman.

Lexington’s historical enrollment at Minuteman is shown in the table below as of October 1st of each year, the date that enrollments from school districts throughout the Commonwealth are reported to the Massachusetts Department of Elementary and Secondary Education.

	10/1/2011	10/1/2012	10/1/2013	10/1/2014	10/1/2015	10/1/2016
High School Students	53	53	47	41.5	49.5	54
Post Graduate Students	8	7	5	3	2	1
Total	61	60	52	44.5	51.5	55

Appropriated/Authorized Staffing:

No Town staff are charged to this budget.

Budget Recommendations

The FY2018 recommended budget for the Minuteman Regional School assessment is \$1,670,351. This is a \$292,902 or 21.26% increase over the FY2017 budget, and incorporates approximately \$206,656 in debt service, of which \$82,159 is for the new Minuteman school building, currently in the design phase.

1200 Minuteman Regional High School

Program: Education
Town of Lexington, MA

Budget Summary:

Funding Sources	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ 1,244,384	\$ 1,172,736	\$ 1,377,449	\$ 1,670,351	\$ 292,902	21.26%
Enterprise Funds (Indirects)	\$ -	\$ -	\$ -	\$ -	\$ -	-
Directed Funding (Revolving Funds)	\$ -	\$ -	\$ -	\$ -	\$ -	-
Total 1200 Minuteman	\$ 1,244,384	\$ 1,172,736	\$ 1,377,449	\$ 1,670,351	\$ 292,902	21.26%

Appropriation Summary	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	-
Expenses	\$ 1,244,384	\$ 1,172,736	\$ 1,377,449	\$ 1,670,351	\$ 292,902	21.26%
Total 1200 Minuteman	\$ 1,244,384	\$ 1,172,736	\$ 1,377,449	\$ 1,670,351	\$ 292,902	21.26%

Level-Service Requests	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Total 1200 Minuteman Regional HS	\$ 1,244,384	\$ 1,172,736	\$ 1,377,449	\$ 1,670,351	\$ 292,902	21.26%
Total 1200 Minuteman	\$ 1,244,384	\$ 1,172,736	\$ 1,377,449	\$ 1,670,351	\$ 292,902	21.26%

Object Code Summary	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ -	\$ -	\$ -	\$ -	\$ -	-
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	-
Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	-
Contractual Services	\$ 1,244,384	\$ 1,172,736	\$ 1,377,449	\$ 1,670,351	\$ 292,902	21.26%
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	-
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-
Small Capital	\$ -	\$ -	\$ -	\$ -	\$ -	-
Expenses	\$ 1,244,384	\$ 1,172,736	\$ 1,377,449	\$ 1,670,351	\$ 292,902	21.26%
Total 1200 Minuteman	\$ 1,244,384	\$ 1,172,736	\$ 1,377,449	\$ 1,670,351	\$ 292,902	21.26%