

**Superintendent's
2017-18 Budget Summary
March 4, 2017**

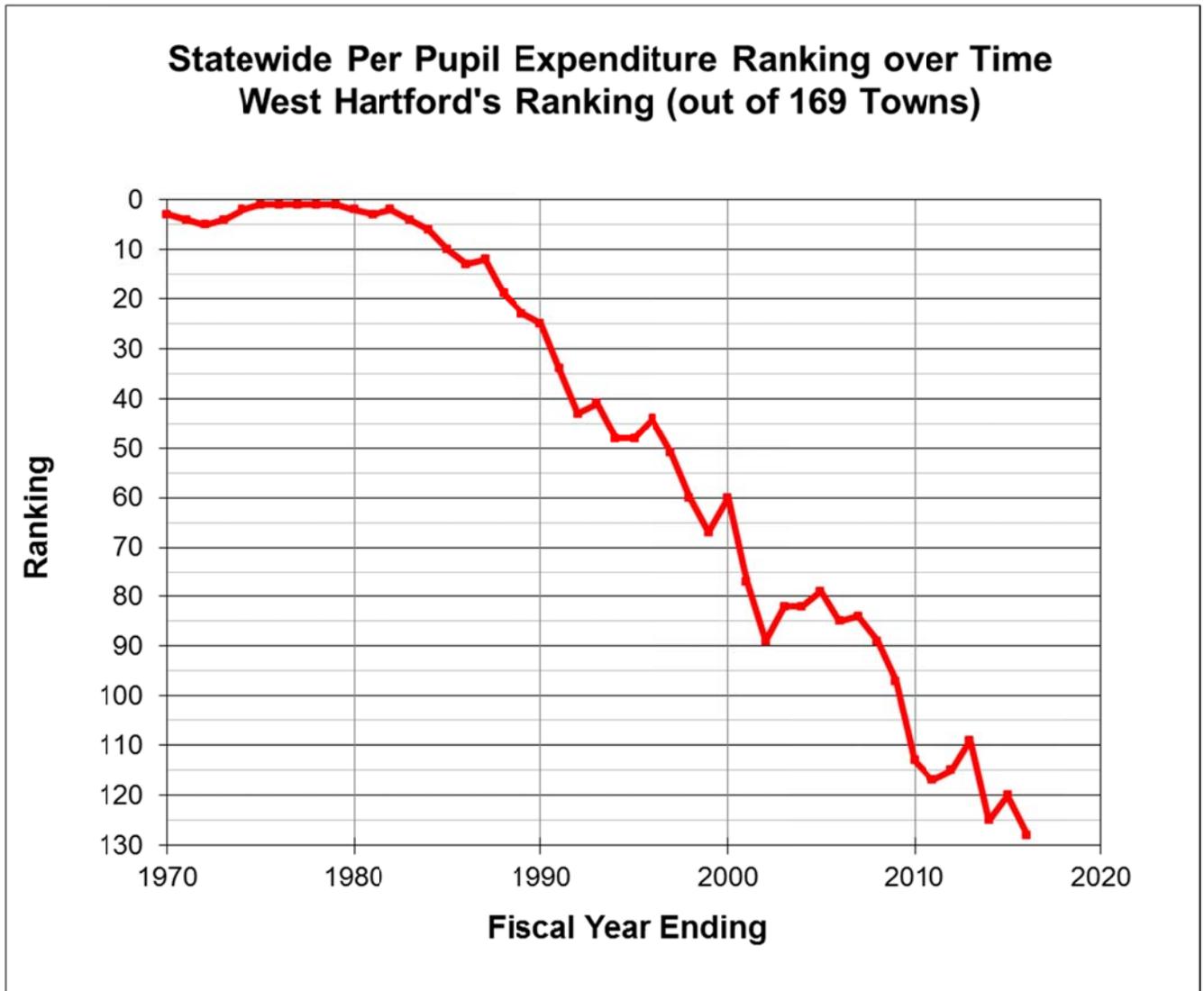
Total General Fund Budget: \$166,220,361

Budget Increase:

Superintendent Changes:	\$7,128,732 (4.65%)
Impact of Governor's Budget:	\$5,808,607 (3.79%)
Total Changes:	\$12,937,339 (8.44%)

Superintendent's Budget Executive Summary

As a prelude to the 2017-18 superintendent's budget, the chart below summarizes the current state of West Hartford's education expenditures.



West Hartford ranked 128th out of 169 towns in per pupil expenditures for the 2015-16 fiscal year down from a rank of 117th 5 years ago, 85th 10 years ago, 44th 20 years ago and 1st 40 years ago. We are frugal with the resources provided to us by taxpayers. We can demonstrate excellent educational outcomes with educational expenditures that are substantially below average. Our budget is \$12.4 million lower than what it would be had we spent at the state average in 2015-16.

While we may only rank 128th in terms of financial resources, we continue to rank 1st in terms of the expectations our community for the programs and services that we provide. To meet the high expectations of the parents, students and staff the superintendent is presenting a 2017-18 budget that is focused on maintaining the excellent educational program that we have today.

This year we clearly have substantial fiscal challenges facing West Hartford – some based on local factors, but we also face a daunting challenge based on the governor’s proposed 2017-18 state budget.

The table below breaks down the total \$12.9 million (or 8.44%) increase in the 2017-18 superintendent’s budget.

Area	2016-17 Budget General Fund (\$ Million)	2017-18 Budget General Fund (\$ Million)	% of Total	\$ million increase/ % increase
Salaries	\$100.66	\$103.48	64.5%	\$2.82/2.80%
Benefits, incl. pension	\$29.62	\$33.48	20.9%	\$3.86/13.03%
Transportation, Utilities, Tuition	\$13.61	\$14.61	4.5%	\$1.00/7.36%
Other Expenses	\$9.40	\$8.84	5.5%	(\$0.56)/-5.95%
Preliminary Budget	\$153.28	\$160.41		\$7.13/4.65%
Impact of Governor’s Budget		\$5.81		\$5.81
Total Budget	\$153.28	\$166.22		\$12.94/8.44%

After a moderate budget increase in 2016-17, the budget increase in 2017-18 totals \$12.94 million or 8.44%. Of that, \$7.13 million (or 4.65%) represents the additional cost assuming no change in state funding and \$5.81 million (or 3.79%) represents the impact of the governor’s proposed state budget on WHPS.

While we have favorable contracts, especially with the teachers where there is no general wage increase except at the top steps, the young nature of our staff means that our wage increase started out over 3.5%. With the reductions proposed by the superintendent in his budget, total wages are increasing by 2.8%.

Benefit growth is very large this year, primarily due to high cost claims. Through January of 2017, the total cost of claims in excess of \$50,000 is \$9.7 million. Last year, through January of 2016, the total cost of claims in excess of \$50,000 was less than \$4.0 million. High cost claims are up \$5.7 million so far this year. While we do have stop loss coverage, only \$880,000 of the \$9.7 million is above of our stop loss limit of \$325,000. These higher medical costs will be borne by the Board of Education and will contribute to the higher budget next year.

Transportation, Utilities, and Tuition are seeing growth primarily in costs due to the increased number of students placed in educational settings outside of the district. We are seeing higher costs both in tuition for these students and in their transportation.

All other expenses include all the rest of the district's costs – instructional supplies, copiers, textbooks, technology, maintenance and custodial supplies. These costs are dropping by \$560,000 as a consequence of the superintendent's budget reductions.

The governor's proposed 2017-18 budget has major ramifications both for the Board of Education budget and for the state aid received by the Town of West Hartford through Educational Cost Sharing (ECS). The governor's budget eliminates the excess cost grant which helps pay for high cost special education students and split the ECS grant into a much smaller grant to the Town and a new grant to the Board of Education for general special education expenses. The governor's budget also requires the Board to pay one third of the employer's portion of the Teachers' Retirement Benefit – which alone adds \$8.01 million to the education budget. The combination of the elimination of the Excess Cost grant and the inclusion of the new Special Ed grant which goes to the Board lowered the education budget by \$2.20 million. The net impact on the education budget from all the governor's proposed changes is an addition of \$5.81 million or 3.79%.

The superintendent's budget has a total increase of \$12.94 million. In addition the town lost \$5.90 million in ECS funding when you compare the Town of West Hartford 2016-17 adopted amount of \$18.34 million to the governor's budget proposal of \$12.41 million for ECS. In total, the burden on the taxpayers of West Hartford for education expenses has increased by \$18.87 million - \$7.13 million in additional education expenditures plus an additional \$11.74 million from the impact of the governor's budget.

In recognition of the uniquely challenging fiscal times in which we find ourselves, the 2017-18 superintendent's budget includes \$2.16 million in reductions from the services that are being provided in the 2016-17 school year.

By eliminating 16 positions from the budget, savings in salaries and benefits of \$1,340,000 are realized. Enrollment decline lowers regular education staffing by 9.3 positions while maintaining current class size guidelines. Staffing for elementary specials (Art, World Language and QuEST) are lowered, vacant positions are eliminated in maintenance and technology, principal support and the Leadership Academy are eliminated, and we will offer fewer stipended extracurricular activities at the secondary level.

School and department budgets have grown with inflation over the past 5 years and will be cut back to 2010-11 levels - saving \$703,000.

Finally, Pay-to-Play will increase to \$200 per sport. Families will be required to pay \$200 for their son or daughter to participate in an interscholastic sport for a season. We just raised the Pay-to-Play fee to \$150 this year from \$125 in 2015-16. The higher Pay-to-Play fee will reduce the General Fund cost for athletics by \$100,000. This level of Pay-to-Play will be the highest in the region.

The superintendent's budget does preserve key programs that are vital to the success of the West Hartford Public Schools including full-day Pre-K and full-day kindergarten, small class size guidelines, a variety of programs and services to meet the distinctive needs of all learners, a strong commitment to the arts and physical education, world language beginning in grade 3, the team structure at the middle schools, and the broad array of courses including Advanced Placement as well as counseling support at our secondary schools.

However, the superintendent's budget is only the initial proposal in this uniquely challenging fiscal environment. This budget, along with the draconian cuts included in the governor's budget, increases the total burden on the taxpayers of the town by \$18.87 million. We recognize that this not a feasible final outcome. There will be changes to State aid as the governor's budget advances through the legislature, but we are sanguine that final state aid figures could just as likely be lower than higher when compared to the governor's proposed budget.

Ultimately, the Town of West Hartford, both the Board and the Town Council, must act through the democratic process to decide on the appropriate balance of spending reductions and revenue increases for 2017-18. Accordingly we have prepared a separate document, available at www.whps.org/2017-18_budget detailing \$9.2 million in additional reductions for the Board and the Town Council to consider in the coming months. The school's central office administrative team will be actively involved in that process and we are looking forward to providing guidance and information to policy makers and the citizens of West Hartford.

Superintendent’s Budget Summary

The following pages provide more significant detail on the roll-forward budget, how enrollments have impacted staff needs and what programmatic changes have been made for 2017-18. The table below provides a set of comparisons for the Superintendent’s roll-forward 2017-18 budget.

	Gen. Fund	Roll Forward		
	<u>2016-17</u>	<u>2017-18</u>	<u>\$ Increase</u>	<u>% Increase</u>
Salaries	\$100,657,810	\$104,754,312	\$4,096,502	4.07%
Medical	\$21,055,875	\$24,744,466	\$3,688,591	17.52%
Pension Expense	\$5,226,811	\$5,403,750	\$176,939	3.39%
All Other Benefits	\$3,333,015	\$3,505,846	\$172,381	5.19%
Transportation	\$7,178,993	\$7,719,425	\$540,432	7.53%
Tuition	\$3,472,296	\$3,923,326	\$451,030	12.99%
Utilities	\$2,954,536	\$2,964,228	\$9,692	0.33%
All Other Costs	\$9,403,686	\$9,558,026	\$154,340	1.64%
Subtotal	\$153,283,022	\$162,573,379	\$9,290,357	6.06%
Governor’s budget	<u>\$0</u>	<u>\$5,808,607</u>	<u>\$5,808,607</u>	N/A
Total	\$153,283,022	\$168,381,986	\$15,098,964	9.85%

Roll-forward budget – \$9.29 million increase or 6.06%

The roll-forward budget represents the cost of providing the same programs and services as we do this year, just updated for 2017-18 costs. These cost updates include the impacts of negotiated salary contracts, changing benefit costs, higher energy and transportation costs as well as general inflation.

Salaries (Account codes 5101 – 5191): \$4.10 million or 4.07%

Salaries, which are the largest component of the budget, show growth in 2017-18. First, we are running a \$500,000 salary deficit in 2016-17 which rolls forward into 2017-18 as we have added a number special teachers and teaching assistants that were not in the 2016-17 budget. While the teacher’s contract is a good one for us in that there are no general wage increases except for teachers on the top step, two-thirds of our teachers are young and not yet at the top step of the scale as so they are getting step increases per contract. The average wage increase is 3.5%.

Medical Expenses (Account code 5201): \$3.69 million or 17.52%

High cost medical claims have returned and are driving our medical costs higher. The actual figures for claims used in the 2017-18 budget come from our health consultant Segal.

Claims for 2016-17, our current year, are now projected to be \$26.9 million. 2016-17 claims had been budgeted at \$24.6 million in last year's budget. The primary reason for the over \$2 million difference is the large number of high cost claims. Through January of 2017, the total cost of claims in excess of \$50,000 is \$9.7 million. Last year, through January of 2016, the total cost of claims in excess of \$50,000 was less than \$4.0 million. High cost claims are up \$5.7 million so far this year. While do have stop loss coverage, only \$880,000 of the \$9.7 million is above of our stop loss limit of \$325,000. For 2017-18, Segal is assuming modest growth in claims to \$27.4 million – essentially assuming high cost claims return to more normal levels.

Pension Expense (Account code 5211): \$0.18 million increase or 3.39%

This contribution reflects our share of the actuarial required contribution (ARC) to the Town Pension fund based on the updated actuarial valuation of the pension fund. The Board's share of the ARC is unchanged at 25% of the total ARC. The Town pension plan covers non-certified Board of Education employees. Members of the teachers' and administrators' associations do not participate in the Town pension plan. Recent changes to the plan have substantially reduced the costs for new employees who join the plan. Most of the cost is for the Past Service Accrued Liability over which we have no control. This year's increase is offset by the transfer of the employer's 457 match for employees in the hybrid pension plan from account 5211 in last year's budget to account 5190 in this year's budget.

All Other Benefits (Account codes 5202-5209): \$0.17 million increase or 5.19%

There are no significant changes in these accounts.

Transportation (Account code 5345): \$0.54 million increase or 7.53%

Most of the increase in transportation comes from the 3% - 4% contractual increases in the bus expenses. In addition, we are adding one bus next year for additional Charter Oak magnet students. The rest of the increase comes from actual 2016-17 expenses which are slightly over budget – primarily due to higher out-of-district student transportation costs.

Tuition (Account code 5430): \$0.45 million increase or 12.99%

Tuition costs are expected to grow by 13% from 2016-17 to 2017-18. Per student tuition costs are growing by 5% and the increased number of outplaced students accounts for the rest of the growth in the tuition costs.

Utilities (Account codes 5380-5384): Flat

Overall we are expecting little change in our utilities budget. While prices are slowly rising, especially in electricity, a variety of energy saving projects are lowering our consumption. Switching to a town-owned WAN substantially lowered our telecommunications costs.

All Other Costs (Multiple account codes): \$0.15 million increase or 1.64%

All other costs are projected to grow modestly in the general fund – by about \$150,000 or 1.64%. In anticipation of a difficult budget year we flat funded all school and department budgets. One of the biggest components of this increase is the increased costs for special education independent education evaluations.

Superintendent Budget Changes – \$2.16 million decrease or -1.41%

Once the roll forward budget has been completed, then a series of adjustments detailed below were made to arrive at the superintendent’s recommended budget.

Enrollment Changes – \$0.74 million decrease

We are projecting an enrollment decline of 147 students which results in a drop of 9.3 FTE’s across the system. We decreased elementary classroom teachers by six, middle school academic teachers by 1.1, and high school FTE’s by 2.2. In total, regular education staffing will drop by 9.3 positions at a savings of \$742,000.

Staff Tightening – \$0.60 million decrease

We took a close look at staffing patterns across the district to identify places where we could “tighten” the number of FTE’s without significantly impacting services. We reduced elementary special staffing (Art/Music/QuEST) by 2.5 FTE’s. At the middle school level we moved World Language off team to save 1.0 FTE’s. At the district level, we eliminated 3.6 FTE’s – the substance abuse coordinator, principals on special assignment, and vacant IT and maintenance positions. In addition, we reduced the budget for stipended extracurricular activities at the secondary level.

School and Department Supplies – \$0.70 million decrease

While the roll-forward budget held school and department budgets at a 0% increase, the Superintendent’s budget reduces school and department supply budgets by 8.4%. This returns these budgets to approximately 2010-11 levels.

Pay to Play – \$0.10 million decrease

Pay-to-Play will increase to \$200 per sport. Families will be required to pay \$200 for their son or daughter to participate in an interscholastic sport for a season. We just raised the Pay-to-Play fee to \$150 this year from \$125 in 2015-16. The higher Pay-to-Play fee will

reduce the General Fund cost for athletics by \$100,000. This level of Pay-to-Play will be the highest in the region.

Overall Summary

Item	Amount	Increase
2016-17 General Fund Budget	\$153,283,022	
2017-18 Roll Forward Budget	\$162,573,379	\$9,290,357 – 6.06%
Superintendent Reductions	(\$2,161,625)	(\$2,161,625) -1.41%
2017-18 Initial Supt Budget	\$160,411,754	\$7,128,732 – 4.65%
Governor’s Budget Impacts	\$5,808,607	\$5,808,607 3.79%
2017-18 Final Supt Budget	\$166,220,361	\$12,937,339 – 8.44%

Account List

The table below summarizes the major chart of accounts of the Board of Education Budget and provides a little more detailed description of what items are typically included in them.

Code	Title	Description
5101	Adm/Prof/Tech Salaries	Superintendents, Budget and Business staff, Information Technology (IT) staff, Plant and Facilities administrators and Transportation Coordinator
5109	Director Salaries	Directors of Pupil Services, Human Resources, Teaching and Assessment
5110	Principal & Asst. Salaries	Principals and Assistant Principals
5111	Department Supervisors Salaries	Includes academic, town-wide, school counseling, and pupil service department supervisors
5112	Teacher Salaries	All teachers including regular education, special education, curriculum specialists, gifted and talented, art/music/PE/health/world language, school counselors, coaches, and extracurricular and intramural stipends
5113	Librarian Salaries	Library/media specialists
5114	Pupil Services Salaries	Social workers, psychologist, speech/language teachers
5115	Sec/Clerical Salaries	Secretaries and Clerical staff in schools and central office
5116	Technical Support Salaries	Security officers, School based IT staff, Print shop staff, Student activity coordinators, Van drivers and bus monitors
5117	Paraprofessional Salaries	Regular education and Special education paraprofessionals
5118	Secretarial-Temporary	Temporary secretarial help
5119	Instruction-Tutors	Homework centers, Reading and math tutors, Homebound tutors, ELL and HANOC tutors
5130	Physician Salaries	Part time medical/psychiatric services
5131	Nurse Salaries	Nurses
5140	Custodian - Regular	Regular hours for custodians including part-time custodians
5141	Custodian - Temporary	Temporary custodial help over the summer
5142	Custodian - Overtime	Overtime for custodial help
5150	Maintenance - Regular	Regular hours for maintenance
5151	Maintenance - Temporary	Temporary maintenance help over the summer
5152	Maintenance - Overtime	Overtime for maintenance help
5180	Teacher Substitutes	Funds for both short term and long term substitutes
5185	Teacher Assistants	Teacher assistants – both regular ed and special ed

Code	Title	Description
5188	Summer Curriculum Workshops	Funding for teachers developing curriculum over summer
5190	Deferred Compensation	Contracted annuity payments for administrators
5191	Unused Sick Leave at Retirement	Payments of unused sick leave to retiring employees per contract
5201	Health/Medical Insurance	Board funding to Risk Management Account for active and retired employee health expenses
5205	Long Term Disability Insurance	Board funding to Risk Management Account for active employee long term disability insurance premiums
5206	Unemployment Compensation	Payments of unemployment compensation
5207	Group Life Insurance	Board funding to Risk Management Account for active employee group life insurance premiums
5209	Social Security	Employer's share of Social Security and Medicare taxes
5211	Town Pension	Board funding to Pension Account for covered employees, actuarially determined employer pension contribution
5311	Mandated Adult Ed.Transfer	Board of Education support for Mandated Adult Education program
5312	Instructional Improvement	Support for CSI activities include speakers, texts and materials
5319	Prof. Technical Services	Purchased Services - including legal fees, auditing fees, and mailroom services
5320	Communications	Connections and Community TV
5331	Mileage Allowance	Mileage for teachers and administrators who travel during work day
5332	Recruitment Activities	Expenses, including advertising, for recruitment of staff
5335	Conferences & Meetings	Funding for teachers to attend professional development conferences
5345	Pupil Transportation	Costs of providing regular and special education student transportation in district and out of district
5360	Printing & Binding	School/Dept based accounts – funds for printing
5370	Self-Insurance	Fund for vandalism & theft coverage
5371	Worker Comp/Prop. & Liab. Ins.	Board funding to Risk Management Account for worker's compensation expenses and property and liability insurance premiums
5380	Utilities - Heating	Costs for gas and oil
5381	Utilities - Water	Costs for water
5382	Utilities - Electricity	Costs for electricity
5384	Utilities - Telephone	Costs for telephone service
5385	Telecommunications	Costs for the wide area network

Code	Title	Description
5410	Repair/Maintenance of Equipment	Costs for repair and maintenance of school based equipment
5420	Rentals	Includes cost of copier rentals, equipment rentals, software rentals, and leased instructional space
5430	Tuition	Net costs for placing students out-of district, costs for summer program of special education students
5490	Contracted Services	Maintenance work and educational services
5510	Instructional Supplies	School/Dept based accounts
5511	Audio/Visual Software	School/Dept based accounts
5512	Special Allocation	One time non-recurring expense – classroom materials and supplies for enrollment breaks at elementary level
5513	Computer Software	School/Dept based accounts
5515	Office Supplies	School/Dept based accounts
5516	Computer Supplies	School/Dept based accounts
5520	Textbooks	School/Dept based accounts
5525	Workbooks	School/Dept based accounts – consumable items
5530	Library Books	School/Dept based accounts
5540	Periodicals	School/Dept based accounts
5545	Test Materials	School/Dept based accounts
5555	Custodial Supplies	School/Dept based accounts
5556	Maintenance Supplies	School/Dept based accounts
5560	Gasoline, Oil, etc.	School/Dept based accounts
5591	Supplies and Fees	School/Dept based accounts –interscholastic fees, student activities, and intramural supplies and fees.
5592	Dues and Fees	School/Dept based accounts – professional organization fees
5611	Site Improvement - Contracted	Large site maintenance service contracts
5621	Building Improvement - Contracted	Large building improvement contracts
5640	Equipment	New and replacement general equipment for all schools and departments
5641	Audio/Visual Equipment	New and replacement Audio/Visual equipment for all schools and departments
5642	Computer Equipment	New and replacement computer equipment for all schools and departments

Budget Acronyms and Glossary

Enclosed please a common list of acronyms and a glossary of budget terms in alphabetical order

Acronym	Definition
A/V	Audio Visual
ACHIEVE	A post-secondary program for special needs students operated out of the Wampanoag facility
AIMS	Alternative Individualized Middle School – a program for non special education middle school students in need of a smaller and more focused instructional setting – operates at Sedgwick
AP	Advanced Placement – A course/exam that covers/tests college level material.
ASK	Alternative Search for Knowledge – an alternate high school program for students enrolled at Hall High Schools
CAPT	Connecticut Academic Performance Test – given in grade 10 science
CCS	Connecticut Core Standards
CEU	Continuing Education Unit - Teachers need to earn these to maintain certification. The district provides opportunities for teachers to earn these through CSI time
CIP	Capital Improvement Plan – A 12 year plan detailing both ongoing maintenance projects (roofs/boilers) and one time projects – school expansions/renovations. Submitted to the Town Council in early February
CMT	Connecticut Mastery Test – given in grades 5 and 8 – science only
CSI	Curriculum & Staff Improvement – Occurs most Wednesdays throughout school year plus full days before start of school year – primary mechanism for delivering professional development to teachers
DCF	Department of Children and Families
DDPP	District Development and Performance Plan
EIP	Early Intervention Program – A reading program targeted primarily at struggling readers in the first grade
ESOL	English for Speakers of Other Languages – program provided for students new to USA who need assistance learning English
FTE	Full time equivalent position
G/T	Gifted and Talented
HANOC	Hillcrest Area Neighborhood Outreach Center
IDEA	Individuals with Disabilities Education Act – This is federal legislation concerning education of students with disabilities
IEP	Individualized Education Plan – A plan detailing goals, objectives, strategies and services for a mandated special education student
IT	Information Technology – The department in the Board of Education responsible for computers, software, networking, and training
PBIS	Positive Behavioral Interventions and Support
PE	Physical Education

Acronym	Definition
PPT	Planning and Placement Team – A group of teachers, administrators, staff and parents that meet to review what special education services a student may need
REACH	Responsible Education Alternative Conard and Hall - Our alternative high school program for 40 high school students at risk of dropping out of high school – operates at Conard
RUSL	Return of Unused Sick Leave upon retirement - employees who retire from the West Hartford Public Schools are eligible by contract for payment of half of their unused sick leave up to a cap of the number of days
SBAC	Smarter Balanced Assessment Consortium – given in grades 3-8 and 10 – language arts and math
SRBI	Scientifically Researched Based Interventions – a tiered approach using proven techniques to help struggling learners
STRIVE	A program for middle and high school students with an emotional disability. This program operates at the two middle schools and at the Wampanoag facility for high school students
TA	Teaching Assistant – assists regular and special education teachers.
TLP	Transitional Language Program – Instructs students in both English and their dominant language until they gain proficiency in English
WAAVE	A program for post-secondary special needs students operating at the Wampanoag campus
WHAA	West Hartford Administrators' Association
WHEA	West Hartford Education Association – union representing all teachers
WHELL	West Hartford Early Language Learning Program – provides Spanish instruction (French at Norfeldt) to students in grade 3-5 (PK-5 at Charter Oak)