



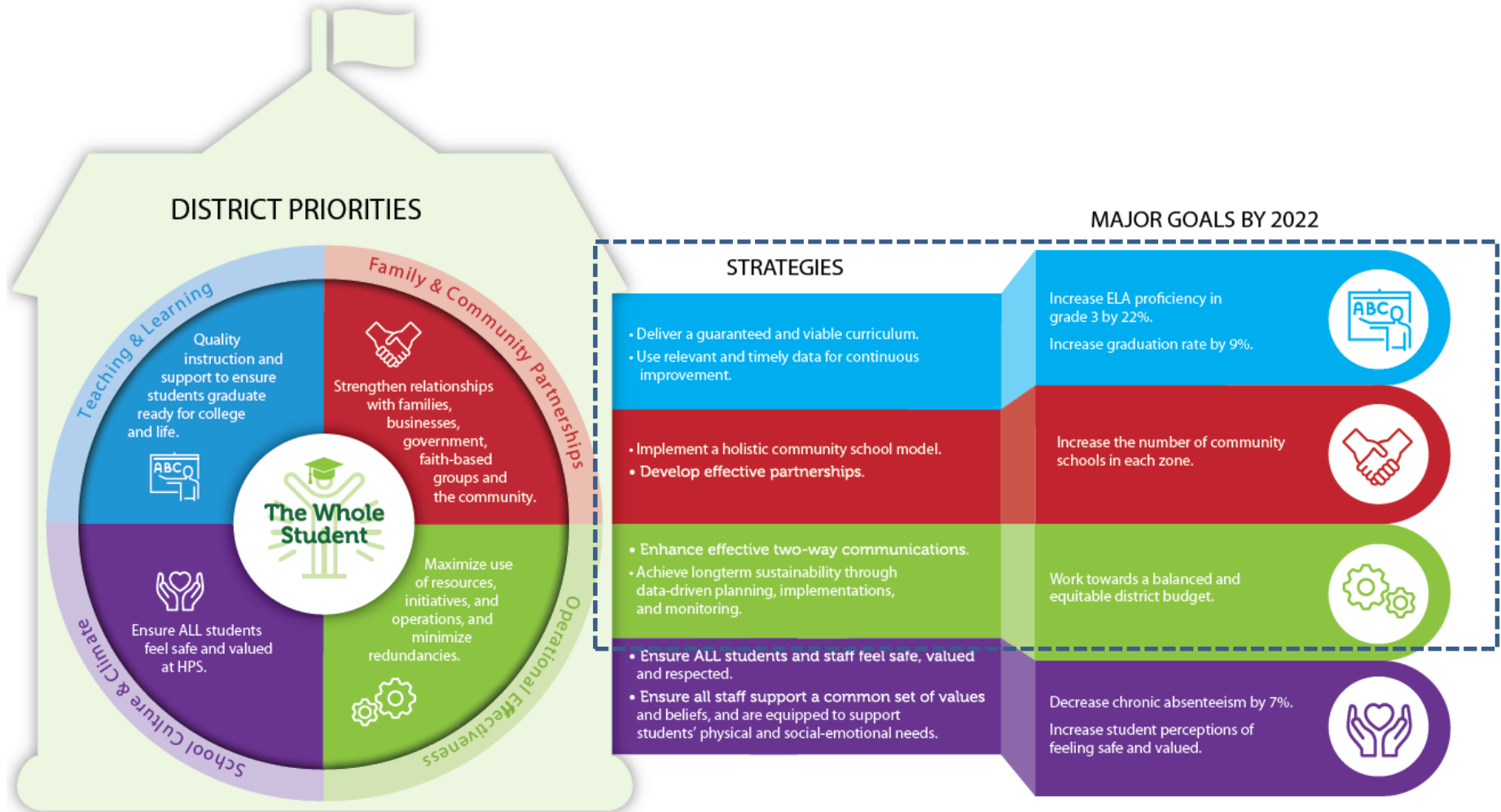
**Budget Development Process
2019-2020**



Session attendees will:

- Understand enhancements to the budget process
- Get an overview of the funding model
- Review the economics of the budget and expected challenges
- Understand our collective responsibility in the budget development process.

Guided by our District Model of Excellence



DME Evolution Since 2017



Implementation Timeline

ERS

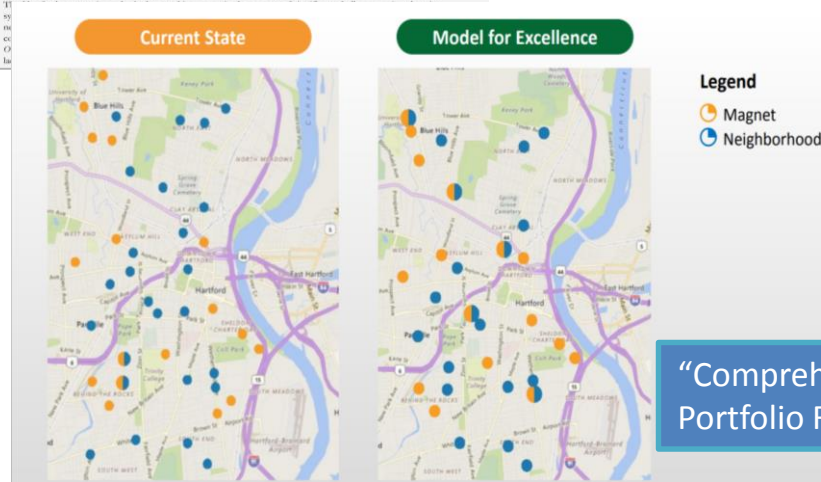
NOVEMBER 2017

Defining the Path Toward a “Model for Excellence” for All Hartford Children

Findings and implications from a comprehensive study of school and system conditions in Hartford Public Schools

Context for this study

Earlier this year, new Hartford Public Schools Superintendent Dr. Leslie Torres-Rodriguez launched an effort to fundamentally examine and re-develop critical aspects of how HPS educates its students. This effort has incorporated deep engagement and input from a wide range of people and groups who have a stake in the future of the district, including parents, students, educators, board members and other city and community leaders.



“Comprehensive Study” and Portfolio Re-configuration plan

June 2018	June 2019	June 2020
<ul style="list-style-type: none"> • Breakthrough North reconfigures <ul style="list-style-type: none"> • Rawson reconfigures • MLK reconfigures and relocates <ul style="list-style-type: none"> • High School, Inc. relocates • Montessori relocates • Batchelder closes • Simpson-Waverly closes 	<ul style="list-style-type: none"> • Burns reconfigures • Wish reconfigures • SAND reconfigures • Milner reconfigures and relocates <ul style="list-style-type: none"> • High School, Inc., JMA, and Kinsella 9-12 relocates • CCCMA closes • Culinary closes • Weaver Campus Opens • Milner Middle School Building Opens 	<ul style="list-style-type: none"> • Asian Studies reconfigures • Burr reconfigures (Middle School) <ul style="list-style-type: none"> • Global reconfigures • Naylor reconfigures • West Middle reconfigures • Betances STEM relocates • Breakthrough North relocates • Central Office relocates <ul style="list-style-type: none"> • MLK MS relocates • Pre-K Magnet relocates • Renzulli relocates • MD Fox offers Dual Language • Pre-K Magnet at Burns Opens • MLK Campus Opens

A collaborative, timely and supportive

SCHOOL BUDGETING PROCESS



Opportunity to enhance systems of supports

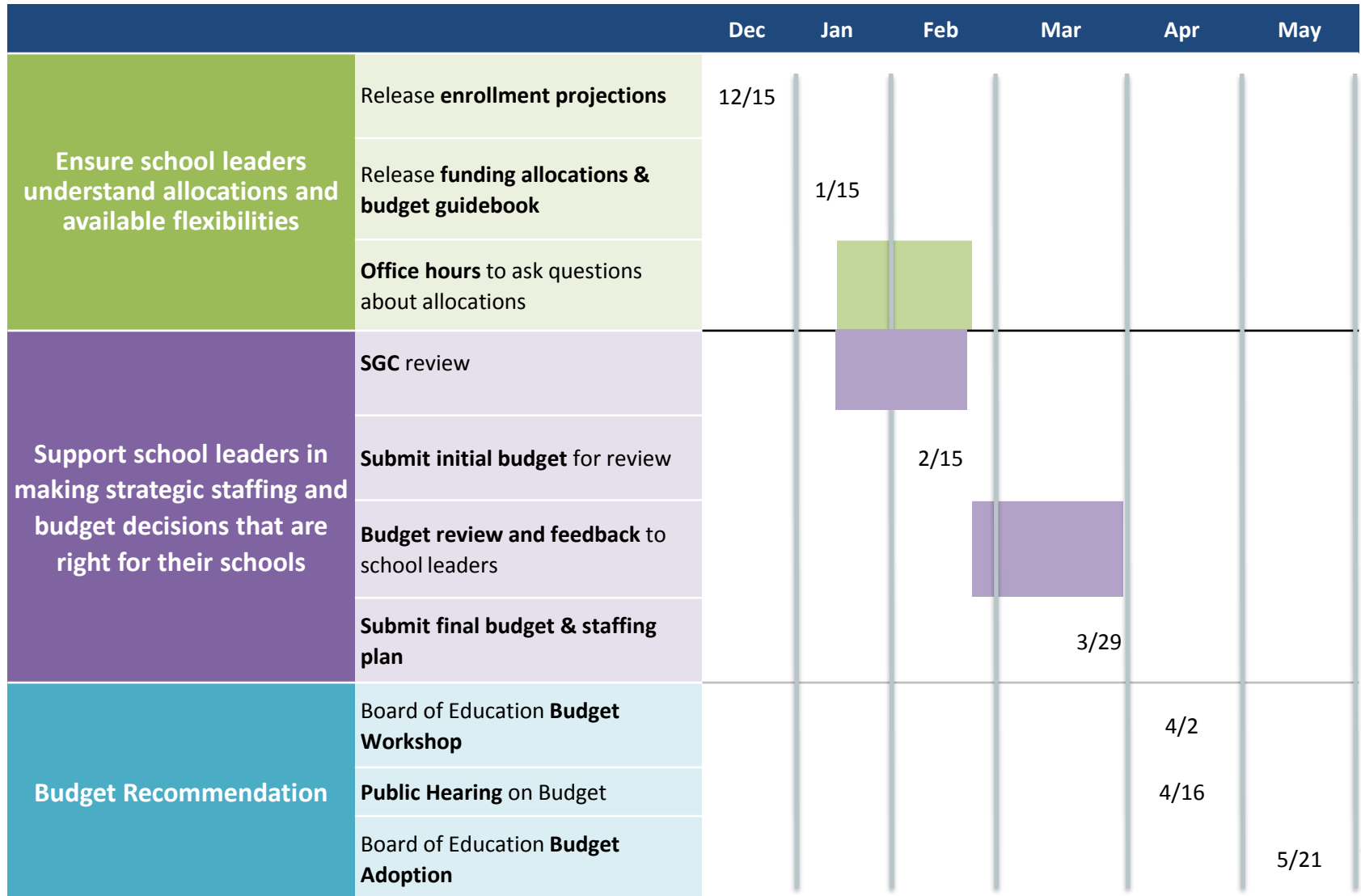
If we are successful, school leaders and communities will...

- Understand exactly how resources are allocated to their schools
- Receive funding consistent with their students' needs
- Create school budgets that are better aligned to district and school priorities
- Clearly outlined school leader flexibilities for addressing student needs
- Hire external teaching candidates earlier

Planning Process



Budget Calendar



School Funding Model



Equal Funding

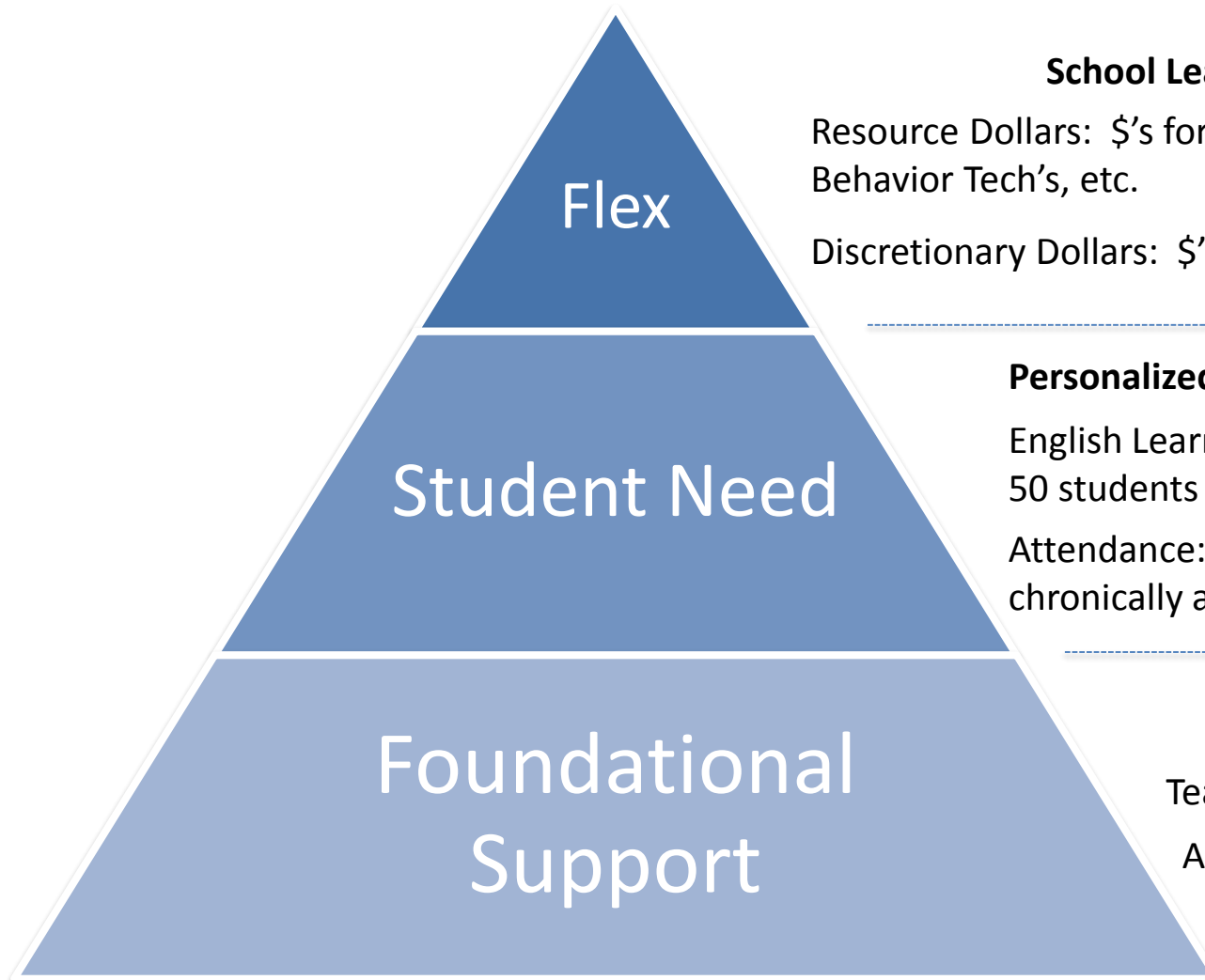
Schools get comparable resources based on size and/or other fixed allocation drivers.



Equitable Funding

Schools get resources that are comparable based on student needs and what it will take to reach high learning goals.

Funding Approach



School Leader Flexibility

Resource Dollars: \$'s for Family Resource Aides, Behavior Tech's, etc.

Discretionary Dollars: \$'s per student

Personalized Attention & Teacher Quality

English Learners: Add'l teacher for every 50 students

Attendance: 1 Add'l resource for every 50 chronically absent students

Consistent Base Support (Appendix A)

Teachers: Up to class size mandates

Asst. Principal: 1 per 350 students

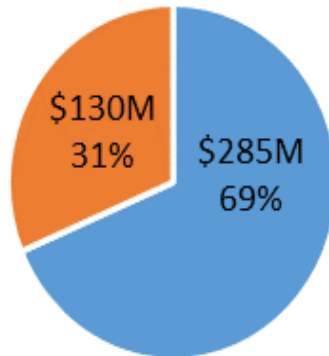
Principal: 1 per school

Budget Economics



Where does our funding come from?

FY 18-19 All Funds



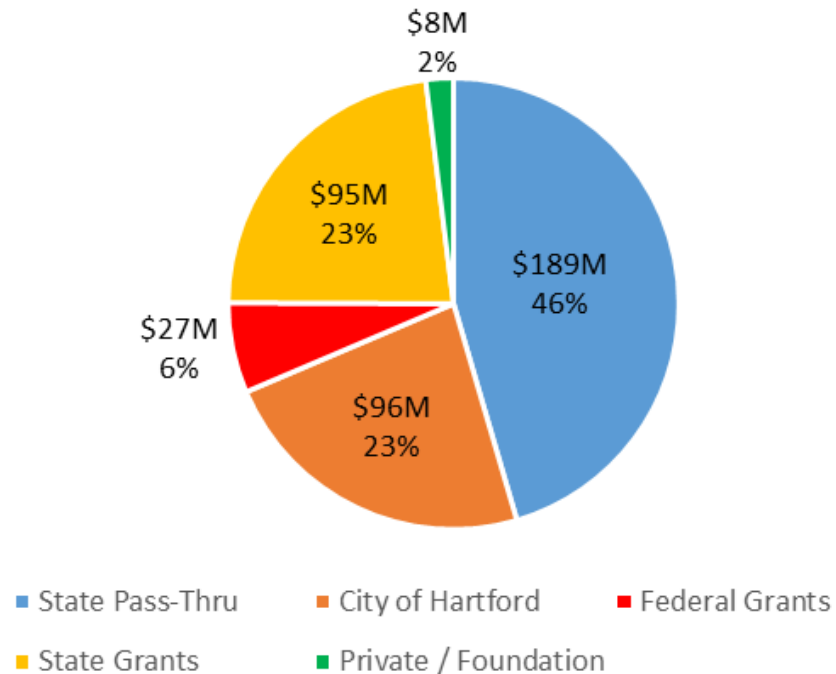
■ General Budget ■ Special Funds

- **General Funds** are intended to finance *core* instructional programs, day-to-day operations to support instructional programs, and general operations of our school district.
- **Special Funds** are generally restricted funds and largely *supplemental* in nature. The purpose and use is generally determined by the provisions of the legislation or directives creating them.

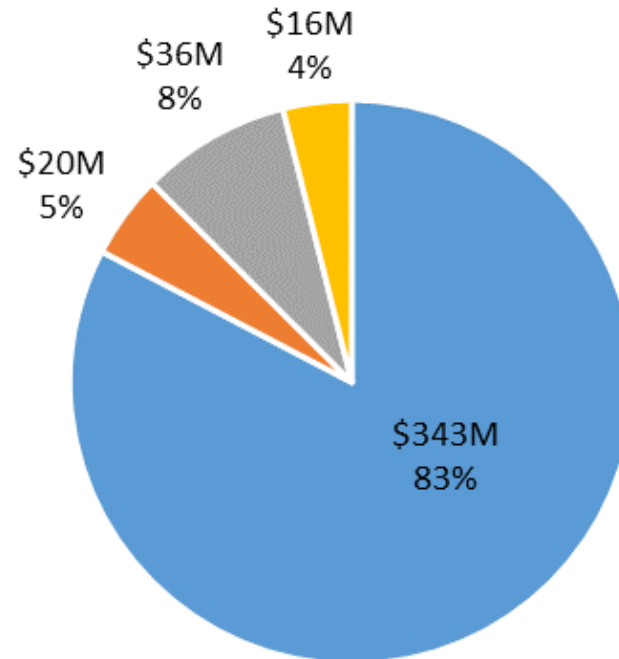
Funding Sources

FY 2018-2019 Funding Sources

- **State Pass-Thru (ECS) and City of Hartford** revenue expected to be flat-funded for 13 consecutive years. This makes up ~69% of the funding.



Where does our funding go?



- Schools and Students
- Student Transportation
- Operation & Maintenance of Buildings
- General Administration, Central & Other Services

- Approximately 96% of the funding goes directly to the schools and students.

Multi-year Funding Projection



The FY20-21 and FY21-22 funding levels could reach the lowest funding levels in a decade.

	<u>FY18-19 Projection</u>	<u>FY 19-20 Projection</u>	<u>FY 20-21 Projection</u>	<u>FY 21-22 Projection</u>
Education Cost Sharing	\$ 188,572,586	\$ 187,974,890	\$ 187,974,890	\$ 187,974,890
Local Tax Contribution and Health & Welfare	\$ 96,033,297	\$ 96,033,297	\$ 96,033,297	\$ 96,033,297
Grants / Donations	\$ 138,971,974	\$ 135,281,601	\$ 124,868,066	\$ 122,559,326
Total Revenue	<u>\$ 423,577,857</u>	<u>\$ 419,289,788</u>	<u>\$ 408,876,253</u>	<u>\$ 406,567,513</u>
Revenue Variance from Prior Year Projection		\$ (4,288,069)	\$ (10,413,536)	\$ (2,308,739)
% Revenue Variance from FY 18 Projection		-1%	-2%	-1%

Special Funds Changes



- Special Fund includes revenue received for specific projects, programs, donations, or tuitions.

DESCRIPTION	FY 18-19 Projection	FY 19-20 Projection	FY 20-21 Projection	FY 21-22 Projection
Federal Grants:				
Title Funding (Title I, II, III, IV)	\$ 18,248,209	\$ 17,096,048	\$ 14,452,367	\$ 13,483,698
IDEA & Other Federal Funding	\$ 9,098,360	\$ 8,689,123	\$ 7,668,911	\$ 7,328,840
Total Federal Funding	<u>27,346,569</u>	<u>25,785,171</u>	<u>22,121,278</u>	<u>20,812,538</u>
State Grants	\$ 102,290,825	\$ 100,166,896	\$ 97,246,788	\$ 97,246,788
Private Foundations / Fee Collections	\$ 9,334,580	\$ 9,329,535	\$ 5,500,000	\$ 4,500,000
Total Special Funds	\$ 138,971,974	\$ 135,281,601	\$ 124,868,066	\$ 122,559,326

Long-Term Sustainability Expense Challenges



- In 36-48 months, these costs will account for 90%+ of the Education Cost Sharing (ECS) funding

	<u>FY18-19 Projection</u>	<u>FY 19-20 Projection</u>	<u>FY 20-21 Projection</u>	<u>FY 21-22 Projection</u>
Magnet & SPED Tuition Expense	\$85 - \$88M	\$90 - \$95M	\$95 - \$100M	\$100 - \$105M
Medical Cost Expense	\$59 - \$63M	\$63 - \$67M	\$67 - \$71M	\$71 - \$75M
Pension Costs	\$6.9M	\$7.6M	\$8.8M	\$9.1M
Salary Costs	TBD	TBD	TBD	TBD

Tentative Projection for FY 19-20 Budget



- Given funding levels and expected cost increases, the anticipated budget shortfall for FY 19-20 is \$10-\$12M.

Projected Cost Increases:

Tuition Expense	\$5.0 - \$6.0M
Fringe & Insurance Expense	\$2.8 - \$3.8M
Salary Expense	\$3.1 - \$4.1M
Athletics	\$.5 - \$1.0M
DME School Reconfiguration	(\$.5) – (\$1.0M)
Increased Fee Revenue	<u>(\$.5) – (\$1.5M)</u>
Range	\$10.4 - \$12.4M



Amount
we would
need to
mitigate

Compounding Impact



Over the last 5 years, we've mitigated \$115M+ in costs and have eliminated 420 positions across the district

	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	Totals
Budget Mitigation Amounts	\$24.2M	\$30.2M	\$26.2M	\$24.8M	\$10-12M	\$115.4+M
# of Positions Eliminated:						
Schools	(65.5)	(215.4)	(57.5)	1.7	---	336.7
Central Office	(12.7)	(20.4)	(28.5)	(22.2)	---	83.8

Long-Term Macro Economic Challenges



- **State of Connecticut fiscal crisis:**
 - As per State policy, Hartford is more dependent on State revenue than any district in Connecticut (69% of operating budget).
 - Low-income, low-property wealth school districts like Hartford experience the greatest volatility in time of economic stress due to our dependence on State funding.
- **City of Hartford fiscal crisis:**
 - Hartford has the highest rate of poverty and one of the lowest amounts of taxable property per capita in Connecticut (23% of our operating budget).
- **Implications: Increase tuition costs, competition for students**
 - Expanded choice options for students in magnet, open choice and charter programs.
 - Compliance and funding constraints result in “unfilled” seats.
 - Tuition to be charged by other school operators for students attending magnet and other choice schools.

Thank You for joining us

Please visit our Website: hartfordschools.org

Email: budget@hartfordschools.org

A number of resource documents will be made available on our website:

- Tonight's presentation
- Budget guidebook to schools
- Budget calendar
- Guide to Special Funds

Appendix

Appendix A

We started with a basic “foundational” roster for every school (examples below)

Category	Allocation Rule
Principal	1 per school
AP	1 per 350 students
Teachers	Up to class size mandates
Social Workers	1 per 350 students in PK-5 1 per 250 students in 6-12
Counselors	1 per 500 students in 6-8 1 per 350 students in 9-12
Psychologists	1 per 500 students
Clerical Assistant	1 per 350 students
CDA	1 per 20 students in Pre-K
Pre-K Para	1 per 20 students in Pre-K
Discretionary Dollars	~\$300 pp to start

On top of our “starter” position roster we layered several other categories of funding



What	Why
A basic starter position roster for all schools	Schools must have resources to meet class size maximums, provide foundational whole child support, provide oversight and support for teachers, and support basic school operations
Additional teacher staffing to support common planning time and Data Team time	Teaching Quality & Academic Rigor: Common time is a pillar of Teacher professional learning and planning, which is currently limited by the teacher contract; additional staff would allow schools to create more continuous time one day a week for teachers to meet together
An additional Teacher for every 50 students that are ELL Level 1 and 2	Instructional Time & Attention & Personalized Attention: Outside of TESOL (allocated separately), Gen Ed classrooms serving higher percentage of ELL would benefit from push-in instructional support to serve all learner’s unique needs
<i>Dollars</i> equivalent to an additional Family Support Provider for every 50 students that are Chronically Absent in PK-8, and 75 students in 9-12	Whole Child Support & Family Academic Engagement: Schools facing greater rates of Chronic Absenteeism need additional resources to support their school improvement priorities
Differential stipend funding by school level, with MS and HS receiving more	Whole Child Support: Grades 6-12 have more after-school athletics programming, which is a large portion of stipend funds

Not included above:

- eLead Coaches or additional curricular materials to support Guided and Close Reading
- Facilities & Maintenance resources, such as Custodians, Utilities and Grounds Upkeep