Finance Committee

3/7/2017

**AGENDA**

Public Comment

Dedham Public Schools Budget Presentation/Hearing

Old/New Business\*

Meeting began at 6:34

Superintendent Michael Welch and Assistant Superintendent Samuel Rippin presenting.

All information presented by Superintendent Welch unless otherwise noted.

Mr. Heffernan opened by informed all present that the proceedings were being taped for future televised showing. He then solicited comment from the assembled public. Given the lack of response, he moved to summarizing the plan of action for the meeting, to review the proposed FY18 school budget.

Mr. Welch handed out a hard copy version of the presentation that he would shortly be presenting. He then thanked the committee for the opportunity to talk to them about the school budget. Mr. Welch clarified that the presentation is a synopsis of the 73 page budget proposal. He expressed a desire to communicate with the finance committee to find the best way to present budget information in the future.

Mr. Welch reviewed last year’s chromebook initiative. He explained the advantage of chromebook laptops in the school environment. The chromebook initiative is active in grades 6, 7, 8, and 9. They are distributed in fall and collected at the end of the year. He expressed the hope that in the future chromebooks could be distributed for a full 4-year period and collected prior to graduation. He called attention to increased availability of substitutes thanks to increased compensation. The Riverdale special education programs are being expanded. With the increased time for personal development provided by substitute teachers.

6:40 Marty Lindemann arrived.

Schools are continuing the move towards full-day kindergarten, and the fee associated with full-day kindergarten is now down to 1500$, with the eventual goal of it being free.

Dedham High school has acquired an art teacher and a career councilor, and is looking to expand connections with local businesses. The art teacher was added due to students being turned away from the art program due to insufficient availability. There has been a school psychologist added to enhance in-district special education programs.

Mr. Welch enumerated the general process by which the budget is created

1. Review FY17 budget
2. Consider budget requests from all principals and directors.
3. Review FY18 priorities
4. Draft fy18 budget and sent to school committee
5. Public budget hearing January 25th
6. FY18 budget approved by school committee.
7. School Budget presentation today, March 7 to Finance Committee

According to Mr. Welch, 2 years ago only 60% of students were in full-day kindergarten. This year Dedham is at 91%. Mr. Welch hopes this number will reach 100% by next fall.

Dedham is also continuing investment into in-district special education to avoid out-of-district placement.

Another focus of the budget is expanding technology access in the classroom. MA is mandating online assessments by 2018. State required state assessments only in 2016, with very little warning. Kids need to be computer-literate to be prepared for these. We are in a position to make that transition before it becomes a necessity.

The school is also trying to reduce the impact of school fees on families. Mr. Welch believes public education should be as free as possible. Boston itself is pushing for completely free Pre-school. Mr. Welch estimates the cost of free full day kindergarten to be 236,000$. This 236,000 comes from 2 new part time teachers and the loss of fees. Mr. Welch expects a large impact of full implementation. Increase 2-parent or single-parent working families increases demand for full-day over half-day.

Sending students out-of-district for special education is extremely expensive. Dedham peaked at 2009 with 74 out-of-district students. Mr. Welch extended thanks to Liz O’Connell for her work with the special education program. We are down to 49 students out-of-district this year. Public schools have a responsibility to special education students until age 22. Mr. Welch expects 5 fewer out-of-district students next year, saving 500,000.

Mr. Welch also hopes to reduce AP exam fees. In the 2006 school year, 60 students took an average of 1.5 AP exams, for a total of 98. Exams are currently 93$ apiece. 191 students took 394 exams in 2016 school year. Reducing fees is to encourage students to challenge themselves. First exam reduced to 75, second 50, 3+ reduced to free. This encourages students to take more tests and push themselves rather than pick and choose to save money. Mr. Welch referred to an appeal from the state to include AP fee help in the budget. Commissioner of education sent out this appeal in response to the loss of funding from the now-defunct No Child Left Behind program.

Mr. Welch informed the committee that grades 10-11-12 currently have ipads. The goal is to get chromebooks into the hands of 9-12. Mr. Welch anticipates increased state demands for computer literacy in grades 2-3-4 as well. Part of the budget this year is replacing whiteboards with projectors.

Mr. Welch referred to an anticipated local fiber-optic network update that would benefit other town facilities, particularly the schools.

Contractual obligations in the budget are anticipated at around 1 million dollars. The budget is asking for more special education teachers for in-district programs.

Our “Yellow Bus” School bus contract is up for bid. There is an increased need for buses, as well as a need for improved technology on buses. For example, we hope to install cameras and 2 way radios on buses. This is part of an attempt to better coordinate communication between police, fire, and schools rather than relying on the bus company dispatches.

Mr. Welch called attention to the site: SuperEdNet.com. This site collects statewide data on current fees in all public schools, and is considered to be among to most accurate sources of data on the subject.

Mr. Welch then distributed paperwork containing data on sports program fees and AP test fees for consideration by the Committee and moved to a few last-minute points on the budget. He anticipates adding 1000 new chromebooks to school circulation this year. Recent studies have found that there are significant maintenance needs for town-wide playgrounds that are not currently being met optimally.

Mr. Welch finished his presentation and solicited the committee for any questions they had or suggestions for additional data he could provide for them.

Mr. Heffernan thanked the superintendent for his presentation.

Mr. Preston asked if the school budget included allowance for FY18 collective bargaining increases in the salary/contractual obligation area, as well as projected step increases. Mr. Rippin replied that there is an allowance for unsettled contracts, Unit A and Unit B. A reserve has been placeheld for possible future increases. He confirmed that the increase to the salary section is as high as it can be expected to be because it includes projected increases.

Mr. Heffernan thanks Mr. Welch for providing an abundance of data in his budget proposal.

Mr. Roberts asked about money budgeted for referees, and if this had to do with the movement to a new athletic league. Mr. Rippin clarified that this cost has increased due to reduced fees on participants, so we have less revolving funds to defray costs to the city. Mr. Roberts asked a similar question about the transportation budget. Mr. Rippin explained that that increase is also due to decreased user fees.

Mr. Roberts asked for more information on the Research and Development line item.

Mr. Welch explained that consultants found that Dedham needed increased training and curriculum development. Grade 1 has a new Phonics program, Fundations, which is expensive and also requires additional training for staff. Mr. Welch referenced the LLI(Leveld Literacy Initiative) which represent additional materials to help with students struggling with specific language deficits.

Mr. Preston asked if the projected 500,000 budget reduction from reduced out-of-district placement on special education was a certainty. Mr. Rippin clarified that this is not a “phantom cut,” but is a real tangible expected savings. Out-of-district tuitions are quite expensive, and tuition goes up each year. Reduced out-of-district costs can be a volatile budget item, because that is simply based on who lives here.

Mr. Welch clarified that he is interested in bringing the out-of-district special education down further, and that the school system is becoming better equipped to keep more special education students in-district. Mr. Preston expressed concerns with the possibility of that 500,000 dollars not materializing.

Ms. O’Donnell asked what the cost of in-district special education was, as a comparative to the estimated 100,000 for out-of-district.

Mr. Welch explained that that was difficult to quantify, based on the specific needs of the students. However, spending money improving our in-district special education represents those costs. The out-of-district costs are easier to quantify because it is dis-integrated from our school system and contains more flat costs, such as tuition and transportation.

Ms. O’Donnell asked about the increased technology budget, and if Mr. Welch expect students to have to take state testing on Ipads.

Mr. Welch clarified that state testing would be on Chromebooks, and that they initially had hoped to use Dell laptops and computer labs to accomplish this computer literacy. However, he believes the Chromebook system will be more consistent and easier to keep track of.

Mr. Hughes asked about the Contracted Services Consultant expense item. Mr. Rippin clarified that if they need a service but cannot justify making them a full-time employee, they bring in contracted services. Some examples are occupational therapy and tutoring, typically for special education.

Mr. Hughes asked about Medicaid Expenses on the budget. Mr. Rippin explained that they are charged a commission when working through consultants, and that is what Medicaid Expenses are on the budget. Specifically, consultants help them to receive funds and are paid a % of those funds.

Mr. Hughes asked if the school department was on a different Unemployment plan than the town. Mr. Rippin said that the school is self-funded and pays their portion of the unemployment that the town pays. So, unemployment is paid by the organization it is owed by.

Ms. O’Donnell asked how many students are paying athletic fees. Mr. Rippin estimated around 500 students are participated in athletic programs.

Ms. O’Donnell asked Mr. Welch for information about their decision to attempt to reduce athletic fees.

Mr. Welch explained that sports programs are a passion for a lot of students that help get them more engaged with school, and that fees can be detrimental to that. He believes barriers to student participation should be lowered.

Ms. Butler asked if Mr. Rippin was an assistant to the superintendant or an assistant superintendant Mr. Rippin confirmed that it was the latter.

Ms. Butler asserted that some of the enrollment numbers presented in the data was incorrect in one location. She cited a 10-year trend in the data. Mr. Welch and Mr. Rippin spent some time looking at the data to attempt to account for her concerns. Mr. Rippin noted that the out-of-district students are listed separately, and therefore not accounted for at that particular set of data.

Ms. Butler noted the 5.8 full-time employees in the computer education department, and asked when keyboarding was being taught to students. Mr. Somebody clarified that it is began in 6th grade Ms. Butler asked if there were plans to make that start earlier, to which Mr. Welch replied that there were not.

Ms. Butler asked if middle school athletic had a fee. Mr. Rippin clarified that those fees are much lower(than high school athletics fees) and are not being reduced.

Mr. Roberts asked what the middle school fees were, specifically. Mr. Welch clarified that they are 50 dollars per sport per student.

Ms. Carney asked if high-school fees in the data are projected or current. Mr. Welch clarified that his goal is to reduce the impact without eliminating the fees altogether. He clarified that a possible plan of action is to structure fee reduction similarly to the AP exam plan.

Mr. Rippin clarified that some sports in some districts have varied fees for different sports, which we do not do. Mr. Welch explained that there are many ways to assess athletic fees, and that sports such as hockey or football can be more expensive for the program.

Ms. Carney asked what they anticipate the upcoming athletic fees to be reduced to. Mr. Rippin estimated $100 for the 1st sport, 50 for the 2nd, and 0 for every sport after.

Ms. Carney asked if they are considering a Family Cap, that is, a maximum a given family would have to pay. Mr. Rippin clarified that that is not planned.

Mr. Heffernan asked about the plans for future staffing and restructuring. He asked that Mr. Welch go over the changes from the restructuring.

Mr. Welch clarified that the goal is to be headcount-neutral and budget-neutral. All current positions are being evaluated for removal to create new positions Mr. Welch feels that this restructuring should be budget neutral, once the process is finished. He walked the committee through several sets of data on new positions, as below.

The New positions are Instructional Coaches and Curriculum Coordinators. Title-1 interventionists are paid through title-1 funding. They need to be deployed in schools that are at or above the average poverty level of the district. There is also a proposed addition of 2 grade K-5 health teachers.

There is a position known as 5th prep teaching assistants: they provide prep period for teachers. Eliminating 4 5th prep assistants in favor of 2 full-time health/phys-ed teachers to fill those time slots. Consultants recommended hiring of educational team leaders for elementary schools. Dedham is planning on hiring 2 educational team leaders, 1 for Avery-Oakdale, 1 for Greenlodge-Riverdale. They would allow their principals to stop being team-chairs and perform the tasks more in line with their position.

Currently the director of guidance is coordinating 6 guidance counselors. The new Director of Counseling services will bring all the counseling positions under one department of guidance.

Mr. Heffernan asked if Mr. Welch expects this restructuring to be finished within a year or to be rolled out slowly. Mr. Welch explained that he hopes for all the new positions to be in place July 1 2017.

Mr. Heffernan asked if the changes will be fully implemented in a year from a fiscal perspective. Mr. Welch said that fiscally, he expects everything to be settled within a year. However, it may take some time for everyone to adjust to the new positions. Coaching positions are a new idea in the school system and can be particularly helpful for people in new positions. Mr. Welch feels that this idea and position has not been fully exploited by our educational system. Steps will be taken to ensure everyone understands the expectations of their new positions. He feels that a slower approach will be more prone to failure.

Mr. Heffernan asked if we will see the benefits of this new restructuring will be seen within a year, and asked for an estimation of what benefits we will see in the next few years. Mr. Welch anticipated significant gains on standardized testing in the next year. He believes that increased differentiation in needs of children should be met by creating a staff that can learn to adapt to working with different types of children. Access to coaches allows teachers to learn how to deal with different student types rather than hire out specialists. He recognizes the difficulty and the strain this will place on teachers.

Mr. Heffernan asked when we expect our children to be able to read. Mr. Welch responded that we expect children to learn to read by grade 3. Beyond that, it is reading to learn. He recognizes that some students will require additional assistance, and there need to be people able to assess what the needs of each student are.

Mr. Heffernan asked when the phonics programs in our schools were removed. Mr. Welch explained that our previous phonics programs were too weak, and that the district recognizes the problem and feel the need to fix it. A new program is being implemented and teachers are being educated on the materials.

Ms. Carney asked about student grouping in middle school. Mr. Welch answered that there is ability grouping being done in the middle school. Ms. Carney asked which subject dictates ability grouping. Mr. Welch answered that Math tends to be the subject dictating it.

Ms. Carney said that it is difficult to estimate class sizes in the high school without additional information about whether they are honors, special needs, or ap, or other categories. She feels that honors/ap students can learn better in larger classes. She feels that smaller classes can provide more assistance students with increased needs. She also feels that the teacher-load in the middle school is manageable and realistic. She feels that our highschool teachers, however, do not have a high enough classload. She does not feel that the school budget tends to spend its money cost-effectively. She feels that Mr. Welch knows what the issue is with our High Schools and that they will fix it. Nevertheless, she has concerns with the data she sees today. She feels that the place that our school system went wrong was by paying insufficient attention to curriculum, resulting in poor assessment scores. She is pleased that the school system has a plan to address these problems in a systemic fashion. She is displeased with the “if its not broken, don’t fix it” attitude that the school system has had in previous years. She feels that a rigorous curriculum is the key to fixing the problem, and that the town has to support the administrators but demand results accompanying the drastic action. She asserts that she will be voting in favor of the school budget this year, because she strongly believes that action must be taken.

Mr. Hughes asked about the repeated use of the term “Budget neutral,” given that new staff is being added, who is being let go? Mr. Welch referred to data in the handout on what positions are being eliminated.

Ms. Butler asked who in Unit A has professional status. Mr. Welch answered that 11 Unit A teachers have professional status. Ms. Butler asked if 14 employees were being eliminated. Mr. Welch asserted that some may be taking some of the new positions that are being created.

Mr. Welch insists that previous teachers who are applying for new positions to be treated fairly. He is interested in moving the district forward and does not want to risk just leaving people how they are.

Mr. Rippin gave the example of some of the new positions as being significantly higher-paying and more skill-demanding positions, which are great opportunities for current employees.

Ms. Fay asked if Mr. Welch was comfortable with the level of public feedback they are soliciting, given that the community is the group being served by these schools. Mr. Welch answered that the goal of starting the process early on was to give space for community response. Mr. Welch said that he tries to schedule appointments with anyone who raises concerns with him. He is interested in moving forward in a practical, evidence-based way.

Ms. Fay expressed that she hopes parents are able to have their questions and concerns addressed.

Ms. Fay asked where the costs could be found that were previously referenced by Mr. Rippin for increased training and consultants.

Mr. Rippin responded that these costs are ongoing, and have been largely paid for by money saved by in-district students.

Ms. Fay asked how we are supporting our classroom teachers and coaches, and how much we are investing in them. Mr. Rippin answered that we are spending 40,000 dollars training coaches. Mr. Welch clarified that materials and training costs will be spread across the next few years. He hopes to take a district-wide approach and get all the schools on the same page.

Ms. Fay requested the actual, overall costs of making all these training changes be recorded and presented to the Committee next year. She also noted that low-income AP test fees are no longer going to be available through the No Child Left Behind program, and that she hopes that AP tests continue to be available to students of all levels. She noted that the AP test fees do create a sense of investment, and that lowering the fees may reduce actual attendance at AP tests.

Ms. Fay asked if we charge bus fees. Mr. Welch replied that we do. Ms. Fay asked how much they are. Mr. Rippin confirmed that bus fees are 260 dollars per bus pass, up to 600 per family.

Ms. Fay suggested that lowering bus fees could be a helpful way to reduce costs. Mr. Rippin confirmed that students who are on certain lunch assistance programs are not charged a fee, so it is already a non-issue for many low income families.

Ms. Fay asked if our schools employ licenses social workers. Mr. Welch stated that we employ High School adjustment councilors, many of whom are social workers. They are deployed throughout the High School and Middle School. Mr. Welch commented that part of the goal of the Director of Counseling to help coordinate the many social/psychologist positions.

Ms. Fay confirmed that elementary school PE is only once per week, and if that was planned to be moved to twice per week. Mr. Welch brought up that this is certainly something they have been considering as part of usage of their “5th prep” time.

Ms. Fay asked for clarification on the transportation line items. Mr. Rippin clarified that it was the transportation of special education both in and out of district. Ms. Fay asked for clarification because there is lower enrollment in the bus system, but they are asking for an additional bus.

Mr. Rippin asserted that we are near the point at which we are going to need an additional bus, and since we are currently negotiating a new bus contract. He also clarified that the increased need for bus transportation is due to the different

Ms. Fay asked about the “Transportation-Homeless” line item. Mr. Rippin clarified that we have the responsibility for people if their previous address was in Dedham, and that we were responsible for getting those students to our school.

Ms. O’Donnell asked how Mr. Welch expects to be able to measure increased confidence in classroom teachers. Mr. Welch anticipates that this will be clear through student performance, but that we do not currently have strong metrics, particularly for early education. He believes there is too much testing that is not helpful. His goal is to ensure that non-state-mandated testing is informing our teaching methods. The new curriculum coordinators will be tracking systemwide data to help inform coaches, who can inform teachers. This new infrastructure allows data to be effectively analyzed and presented to the teachers.

Mr. Roberts asked that Mr. Welch clarify what our professional development would look like post-restructuring. Mr. Welch stated that there are 3 full days of professional development allocated per year. 2 are before the students return from summer break. He emphasized the difficulty of creating lessons that are applicable to all students. The 3rd day of professional development is election day. There are also 5 half days of professional development. Teachers are contractually provided 20 1-hour chunks of time on Wednesdays for professional development. He believes that teachers are eager for these opportunities and that is clear from teacher attendance at optional education opportunities. Mr. Roberts asked how we compare to other districts in the subject of professional development. Mr. Welch explained that we are behind comparable districts but working towards increasing Professional development.

Mr. Preston asked if the loss of federal grants for low-income children are going to be accounted for in the new fee structure. Mr. Rippin explained that the new fee structure is aimed at reducing the economic impact of fees, particularly on low income families.

Ms. Carney asked how much money we were receiving from No Child Left Behind. Mr. Welch explained that it cost the student 18 dollars, but the AP test cost 93 dollars, so the difference was paid through No Child Left Behind. Ms. Carney expressed that she feels that the AP test program do not need to be subsidized for people who can afford it, whereas SAT tests are taken more broadly by comparison.

Ms. Carney asked if professional development has been considered in the morning and class in the afternoon, rather than the typical structure of teaching in the morning and professional development in the afternoon.

Ms. Carney suggested that the appearance of the presence of a camera can be as effective as the actual presence of a camera for student behavior. Mr. Welch reminded the committee that cameras are much more inexpensive these days and tend to be standard on school busses. Ms. Carney put in the final note that she still feels action is needed on class sizes.

Ms. Butler asked how many buses we have now. Mr. Rippin answered “9”

Mr. Lindemann commented that it disquiets employees to feel that their coaches are evaluating them. Regardless of if they are supposed to be evaluating them or not, managers tend to ask coaches their impression of the people they work with. He cautioned against that relationship turning antagonistic undermining its value. Mr. Welch explained that they had anticipated this, and that they have explained to all members of the restructuring are emphasizing the importance of maintaining healthy relationships. Mr. Lindemann raised concerns that the professional aspects of the employee relationships could create issues with the implementation of the new program, slowing down the value of the coaches.

Mr. Welch asserted that by creating standard relationships between coaches and teachers, they can help try to avoid these problems. Mr. Lindemann asked how other locations have countered the issues with the coach program. Mr. Welch explained that clear communication is key. He went on to clarify that once the confusion associated with the coach system is overcome, it can lead to significant gains.

Ms. Carney reminded the committee that improvement is a gradual process, and not to expect gains that are too striking in one year’s time.

Mr. Lindemann observed that it would be helpful to go over the subject of school consolidation and school size at a future date. This is in reference to the multiple schools in our district.

Mr. Welch noted that is a goal for the School Committee to look at. He anticipated that the newly opening schools will draw families to the area.

Ms. Carney noted that she has requested the cost per student in Riverdale when compared to other elementary schools. She is wondering what we spend per student on smaller schools when compared to larger schools.

Mr. Heffernan noted that the board is also covering the school facilities budget, and solicited questions from the committee.

**School Facilities THIS IS WHERE WE ARE EDITING**

Presented by Director Denise Moroney, unless otherwise noted

Mr. Rippin reviewed the school facility budget proposal as presented on the paperwork given to the committee.

Ms. Moroney summarized the changes from the FY17 budget. There is a 4% overall requested increase from FY17 to FY18.

Contractual rate increases have led to an increased salary line item. Ms. Carney asked if the staff overtime is reimbursable from gym rental revenue. Mr. Rippin noted that rental revenues and expenses are not related to the operating budget, and operated through their own agency fund.

Mr. Roberts asked for clarification on what an agency fund is. Mr. Rippin explained that an Agency fund typically always zeroes out. Money is paid out first, and then reimbursed later, or vis-versa. Mr. Rippin is working towards combining multiple agency and revolving accounts to simplify the system. Custodial overtime to cover rentals is typically self-sustaining.

Mr. Hughes asked about an increase in the personnel budget, and asked how many new employees were being added. Ms. Moroney explained that the one new employee is the facilities clerk.

Utilities costs are decreasing slightly due to supply rate decreases for electricity and heat. Telephone expenses have increased due to reimbursements for use of personal phones to custodians. Water will remain the same.

Ms. O’Donnell asked why the utilities were not on the budget the ECEC. Mr. Rippin explained that a revolving fund funds these utilities, and therefore is not in the budget.

Ms. Butler asked about the high water bill for Avery given the low student headcount. Mr. Rippin explained that this was due to the high square footage and full-service cafeteria.

Supply costs are increasing due to a material price increase. New recycling bags also cost more.

Mr. Heffernan asked about a discrepancy in the budget paperwork the committee has. Ms. Moroney clarified that this is likely due to an issue of classification within the new system.

Mr. Hughes asked whether the costs associated with maintaining Avery Field are contracted out. Ms. Moroney confirmed that they are.

Mr. Heffernan asked for final questions on the school facilities budget. There were no questions, and Mr. Heffernan asked for final questions on the subject of everything that was covered during the meeting.

Mr. Lindemann confirmed that the next meeting would be 3/14/2017.

Mr. Welch called the committee’s attention to a dataset within their packets for future consideration.

Mr. Heffernan noted the difficulties associated with the Health insurance cost benefits, debt service cost increases, and OPEB/Pension liability, many of which are not yet concretely determined.

Mr. Preston noted that there are low participation rates in health insurance plans and that there could be difficulties if in the future if many employees opted in. There are many uncertainties in health care right now and it can be difficult to investigate and project budgets for.

Mr. Heffernan asked for any final questions and thanked the presenters for their time. He reviewed what would be covered at the next meeting.

Mr. Heffernan motioned to adjourn

Seconded by Ms. Carney

Motion carried 9-0.

Concluded at 9:00