

Superintendent's Recommended Budget

City Council Workshop Presentation
May 8, 2018



Presentation Agenda

Purpose:

- Our Students
 - District Model of Excellence
-

Current Context:

- Our Challenge
 - The Impact
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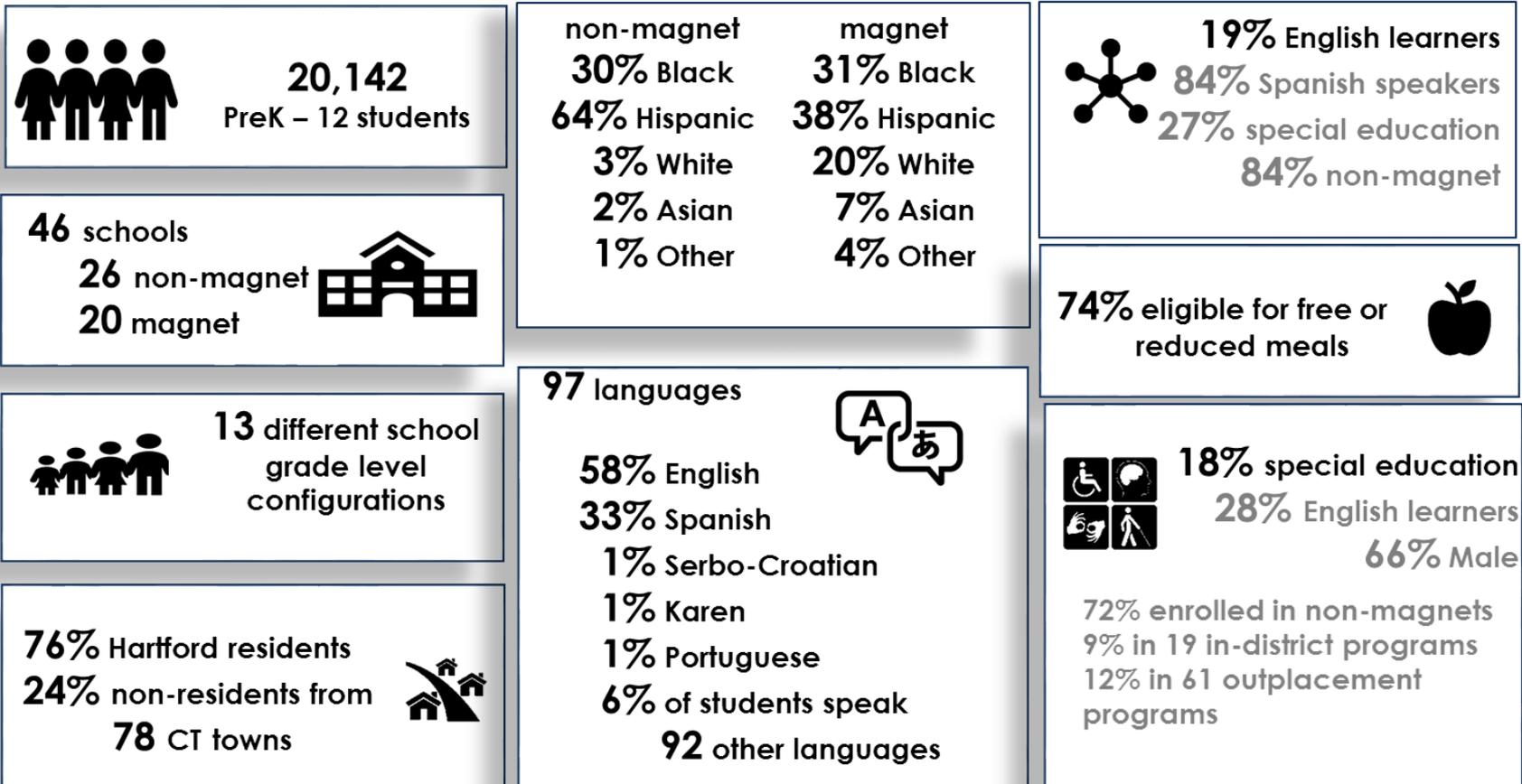
Budget Development:

- Budget Alignment
- 2017-18 Recommended Operating Budget
- Gap Mitigation Strategies
- Appendices



Our Students

HPS's District Model for Excellence focuses on serving the needs of **each** and **every student.**



District Model For Excellence

STRATEGIC PLAN 2018-2022

MISSION

Inspire and prepare ALL students to create their own success in and beyond school.

VISION

HPS students will transform their world.

DISTRICT PRIORITIES



Teaching & Learning

Guarantee that students are provided rigorous instruction and social emotional support for the development of skills, knowledge, and voice they need to graduate ready for college.



Family & Community Partnerships

Guarantee mutually beneficial learning-focused partnerships with families, businesses, government, faith-based partners, higher education, and the community.



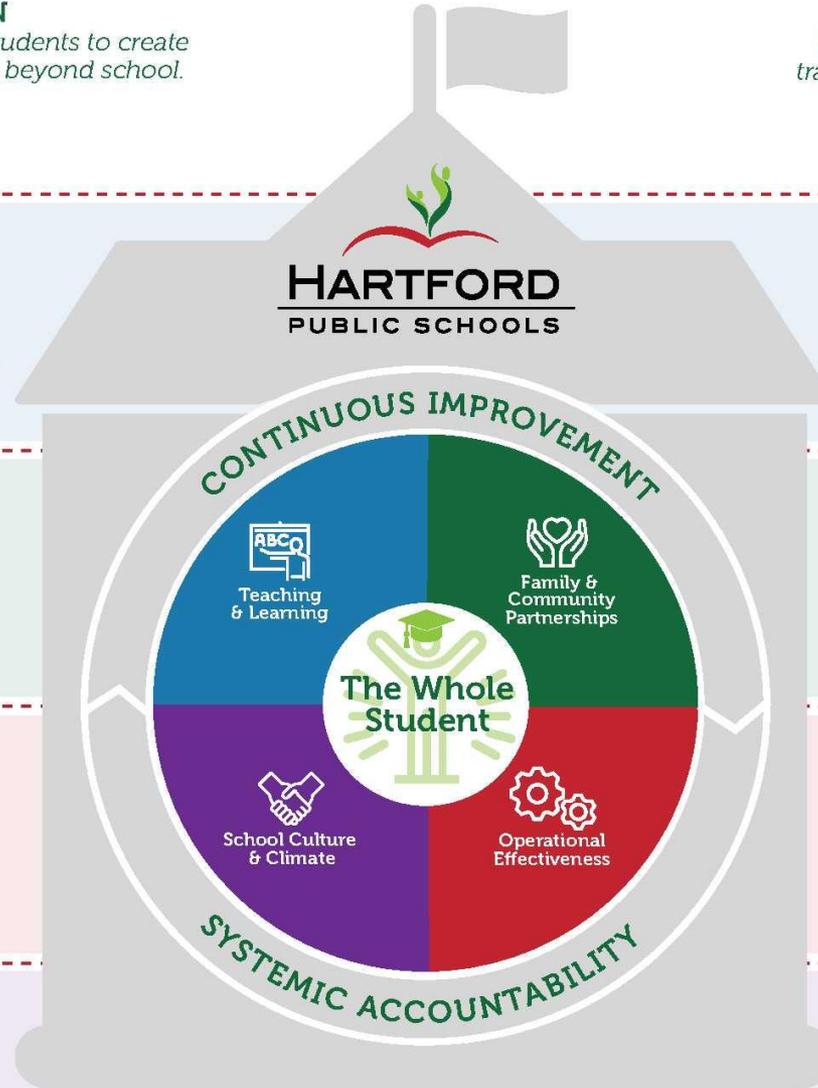
Operational Effectiveness

Guarantee that resources, initiatives and operations minimize redundancies, maximize efficiencies, and support excellent teaching and learning.



School Culture & Climate

Guarantee that ALL students feel safe and valued at school.



MAJOR GOALS

1. Increase ELA proficiency in grade 3 at or above grade level 22 percentage points by 2022

2. Increase graduation rate 9 percentage points by 2022

3. Progressively work towards creating community schools at all school sites by 2022

4. Work towards a balanced and equitable district budget for long-term financial sustainability by 2022

5. Decrease chronic absenteeism 7 percentage points by 2022

6. Increase student perceptions of feeling safe and valued at school by 2022

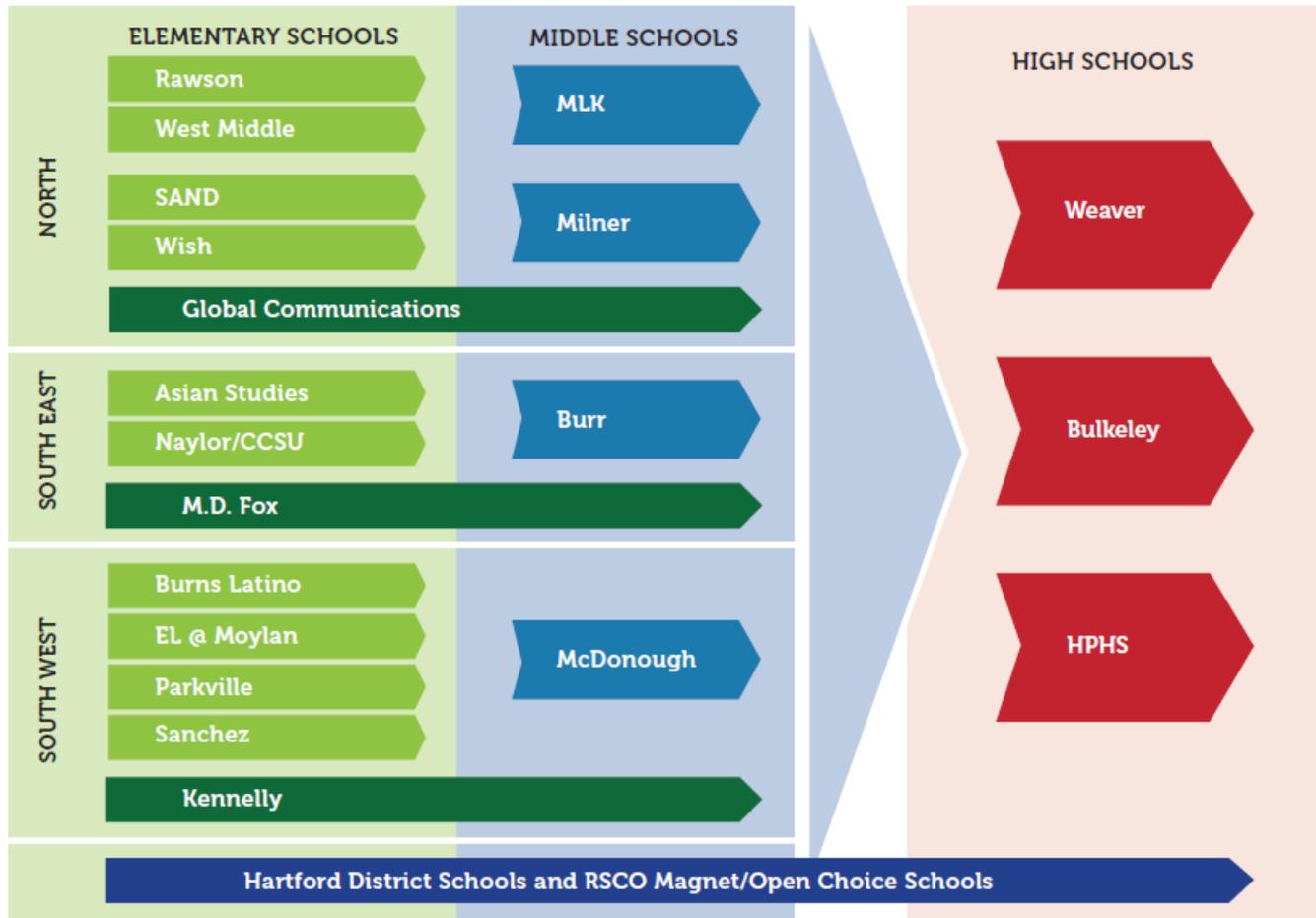
By 2020, we would have clearer pathways for all students in our neighborhood schools

Model for

Non-Negotiables



✓ Pathways



**Depicts only traditional pathways, does not include New Visions, Opportunity High or High Roads.
Note: Size of shapes is not representative of enrollment of school*

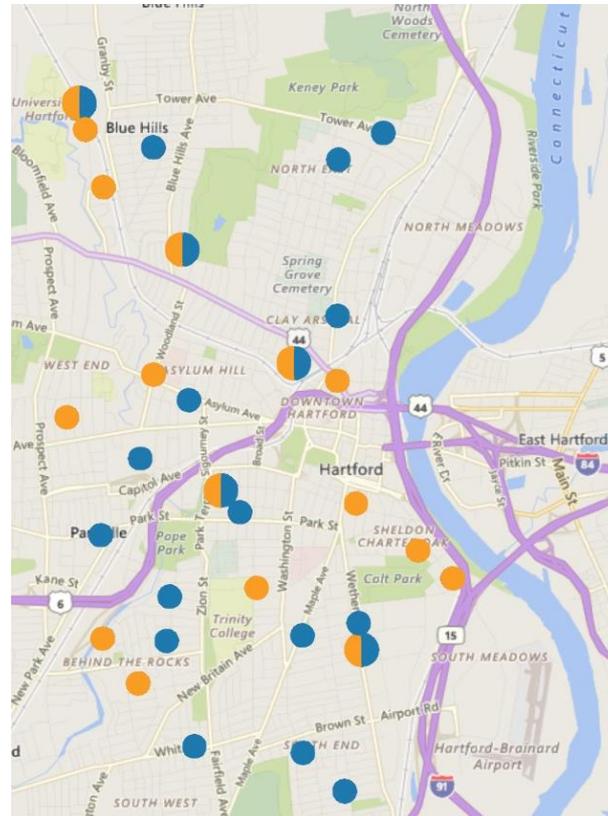
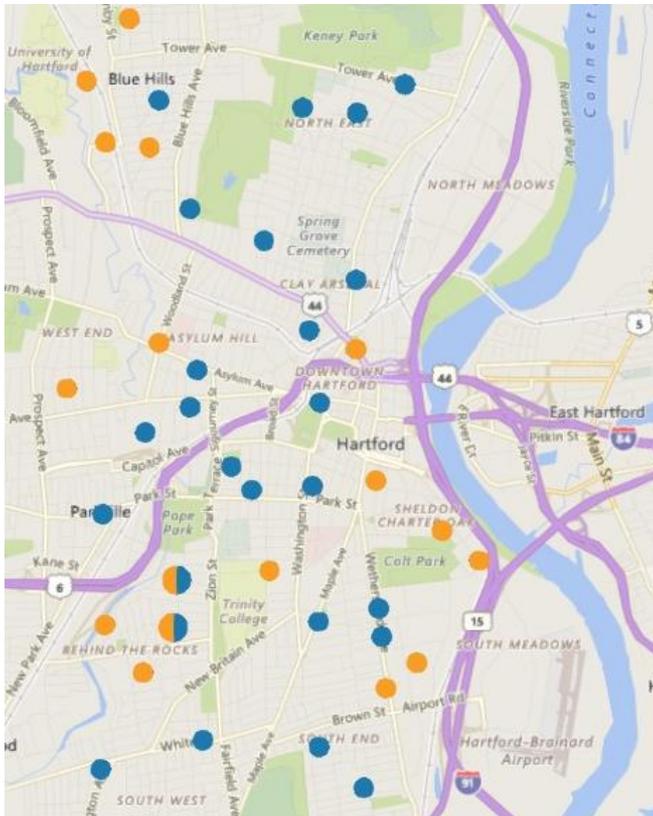
The biggest reconfiguration changes would take place over the next three years

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 <ul style="list-style-type: none"> • Batchelder closes • Simpson-Waverly closes 	<ul style="list-style-type: none"> • Burns reconfigures <ul style="list-style-type: none"> • Wish reconfigures • SAND reconfigures • Milner reconfigures and relocates <ul style="list-style-type: none"> • High School, Inc., JMA, and Kinsella 9-12 relocates <ul style="list-style-type: none"> • 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 <ul style="list-style-type: none"> • Betances STEM relocates • Breakthrough North relocates <ul style="list-style-type: none"> • Central Office relocates <ul style="list-style-type: none"> • MLK MS relocates • Pre-K Magnet relocates <ul style="list-style-type: none"> • Renzulli relocates • MD Fox offers Dual Language • Pre-K Magnet at Burns Opens • MLK Campus Opens

What could HPS look like in 2022?

Current State

Model for Excellence



Legend

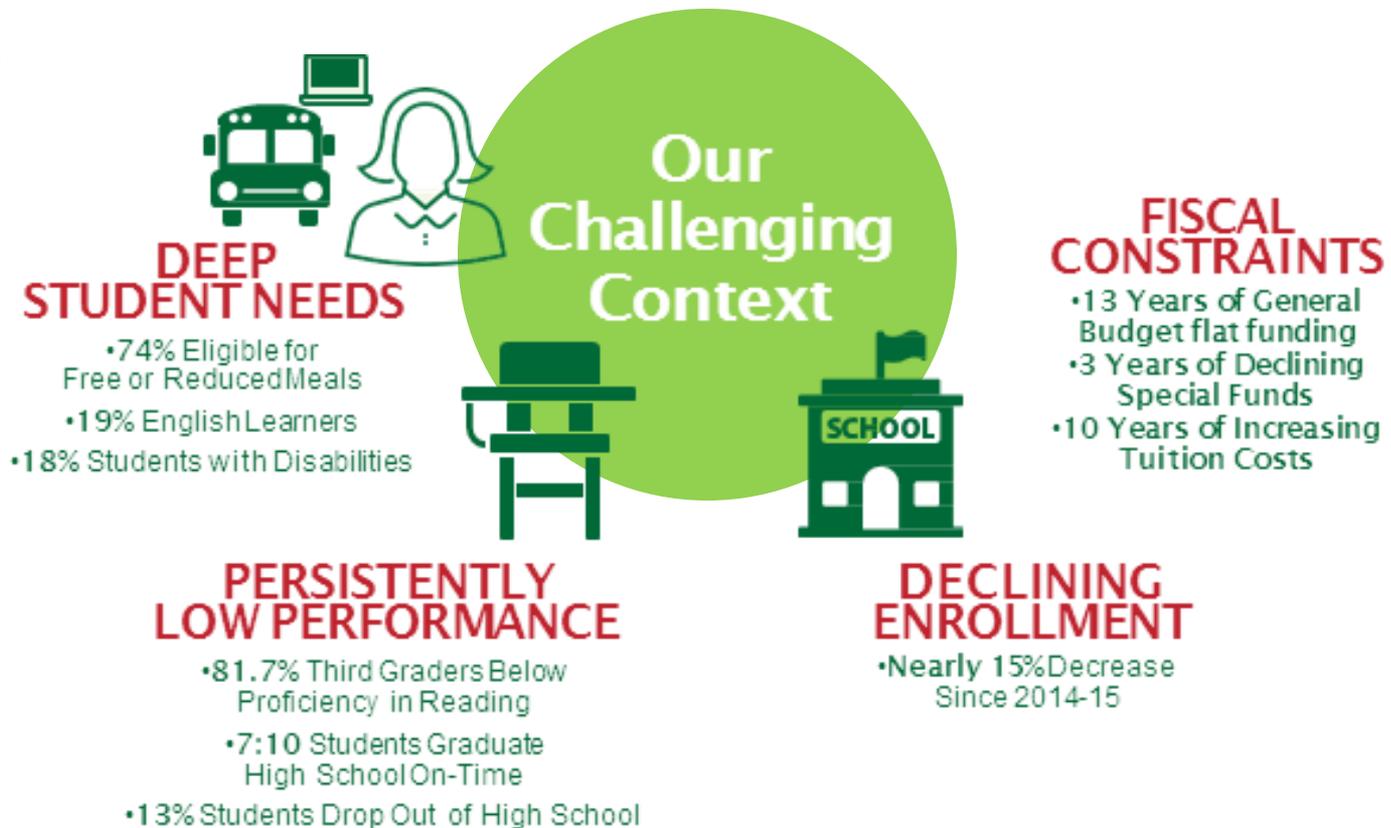
-  Magnet
-  Neighborhood

*Data compares future state HPS to 13-14 data from other Connecticut districts from the comprehensive study
 Data excludes the two Montessori Magnets that are currently co-located but that are likely to be moved from their current location and Clark which is not currently housing any students.
 Source: HPS enrollment and facilities data, Oct 1, 2017 snapshot; ERS analysis.

What could HPS look like in 2022?

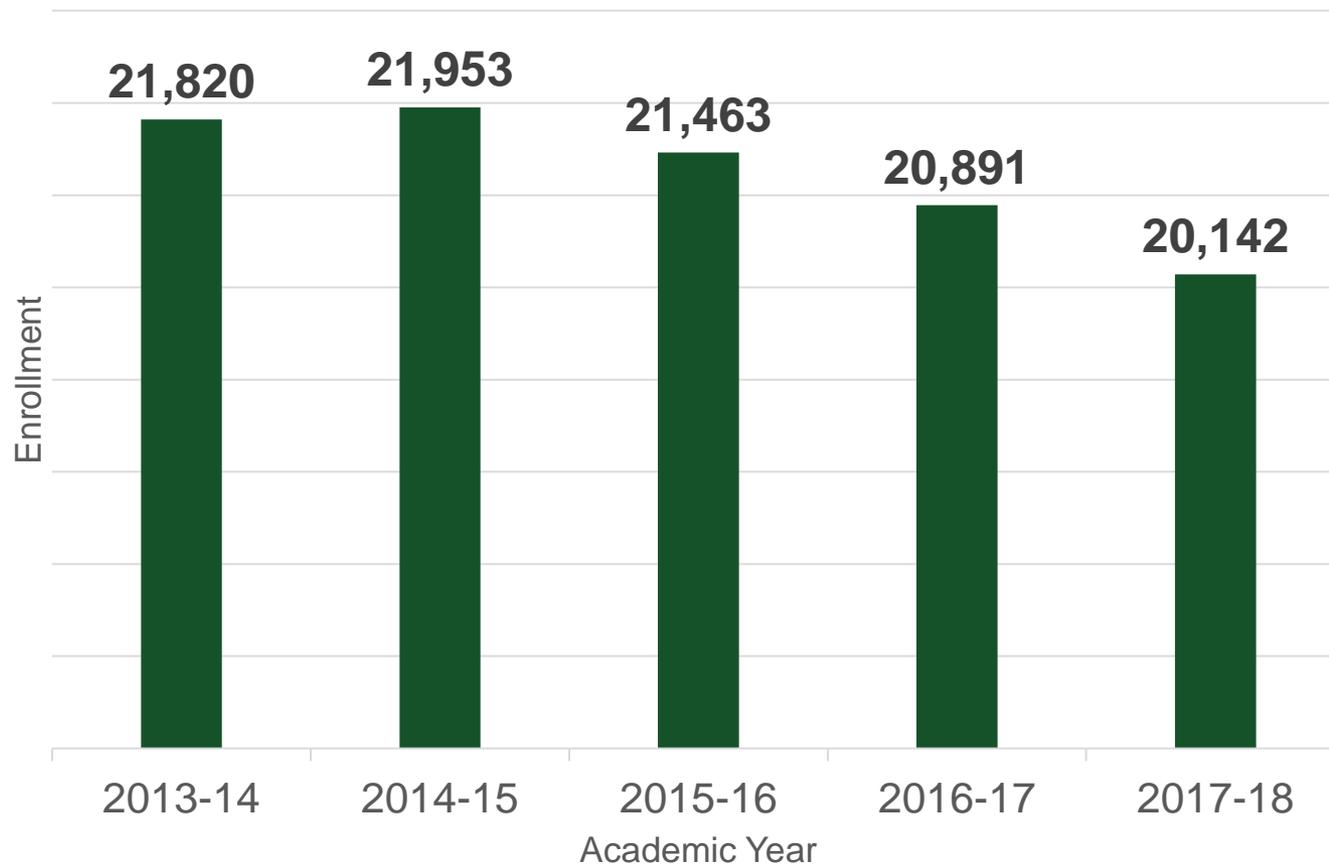
- **Pathways:** Clear pathways from pre-K through 12th grade in all neighborhoods
- **Facilities quality:** 1,400 more students in our highest-quality (rated 1 or 2) facilities, No seats in our lowest-rated (level 5) facilities
- **Access to resources:** 5 campuses with co-located magnet and neighborhood schools
- **Middle-grades:** Conditions for a stronger grade 6-8 experience, including transition supports and strategically sized grades
- **Number of schools:** Reduced the number of schools to be more in line with peers
- **Utilization:** 70% of students in schools with greater than 85% utilization
- **\$15M in resources newly available for investments in our students**

Our Challenging Challenge



Declining Enrollment

District Enrollment



Compounding Impact

Over the last 5 years, we've mitigated ~\$105M in costs and have eliminated 366 positions across the district

	FY 18-19	FY 17-18	FY 16-17	FY 15-16	FY 14-15	Totals
Budget Mitigation Amounts	\$24.8	\$26.2	\$30.2	\$24.2	\$ -	\$105.4

Budget Alignment

We entered into this budget process with an increased commitment to engage the community and align our resources to the non-negotiables we heard:

4 Priorities

- Teaching & Learning
- Family & Community Partnerships
- School Culture & Climate
- Operational Effectiveness

Multi-Pronged Solution for Fiscal Sustainability

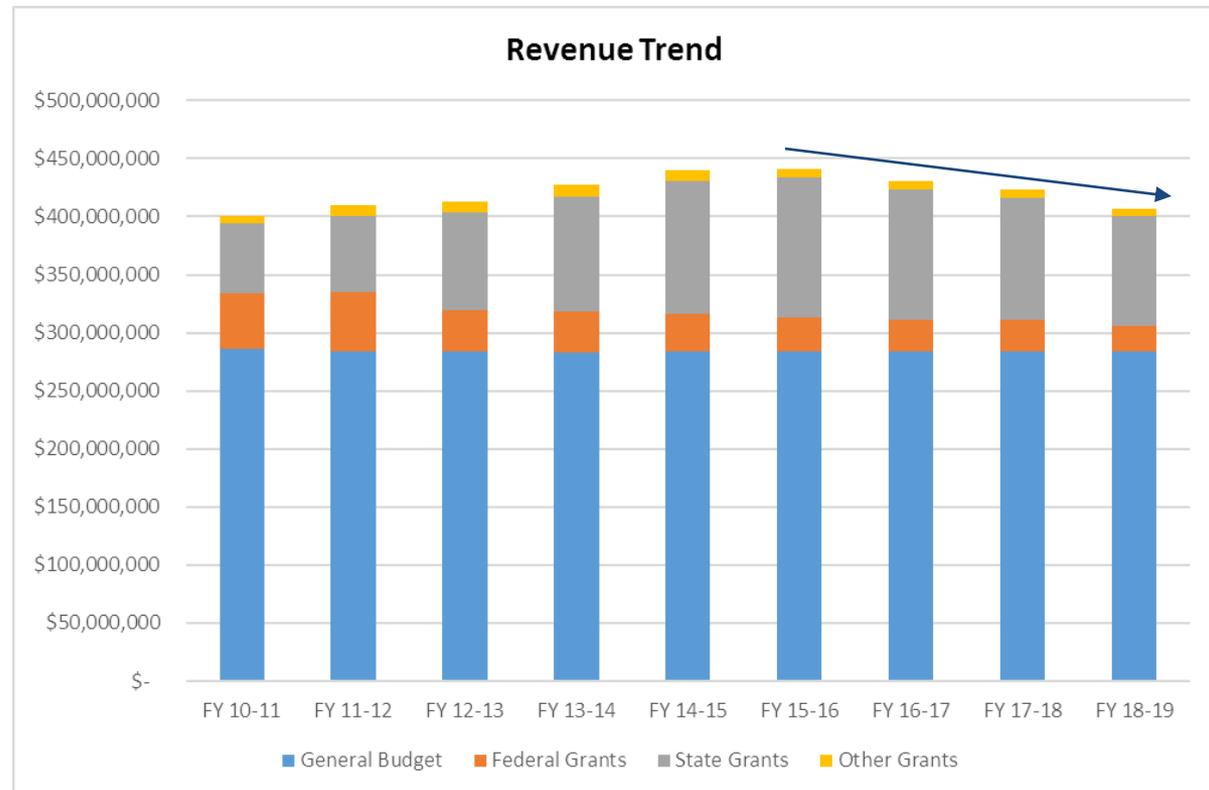
- Implement District Model for Excellence Restructuring Plan
- Identify and share resources between schools and community based organizations
- Allocate resources equitably, transparently, and aligned with student need
- Advocate for appropriate and reliable funding from State and Local resources



Financial Trends: Sources of Revenue

(\$35M) or (8%) Decline in Revenue over the last 4 Years

- We are essentially at the same level of funding we were 9 years ago.
- Federal grant money has declined 55%.
- State and Private grant money have temporarily offset the Federal grant money decline.



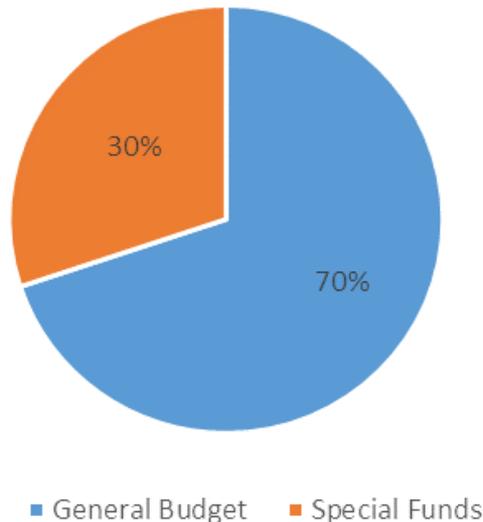
What Funds are Included in the Education Budget?

2018-2019 Projected All Funds Revenues

General budget is projected to be flat funded for 13 Consecutive years

(FY 10–11 to FY 22-23)

Funds in the Education Budget FY 18-19

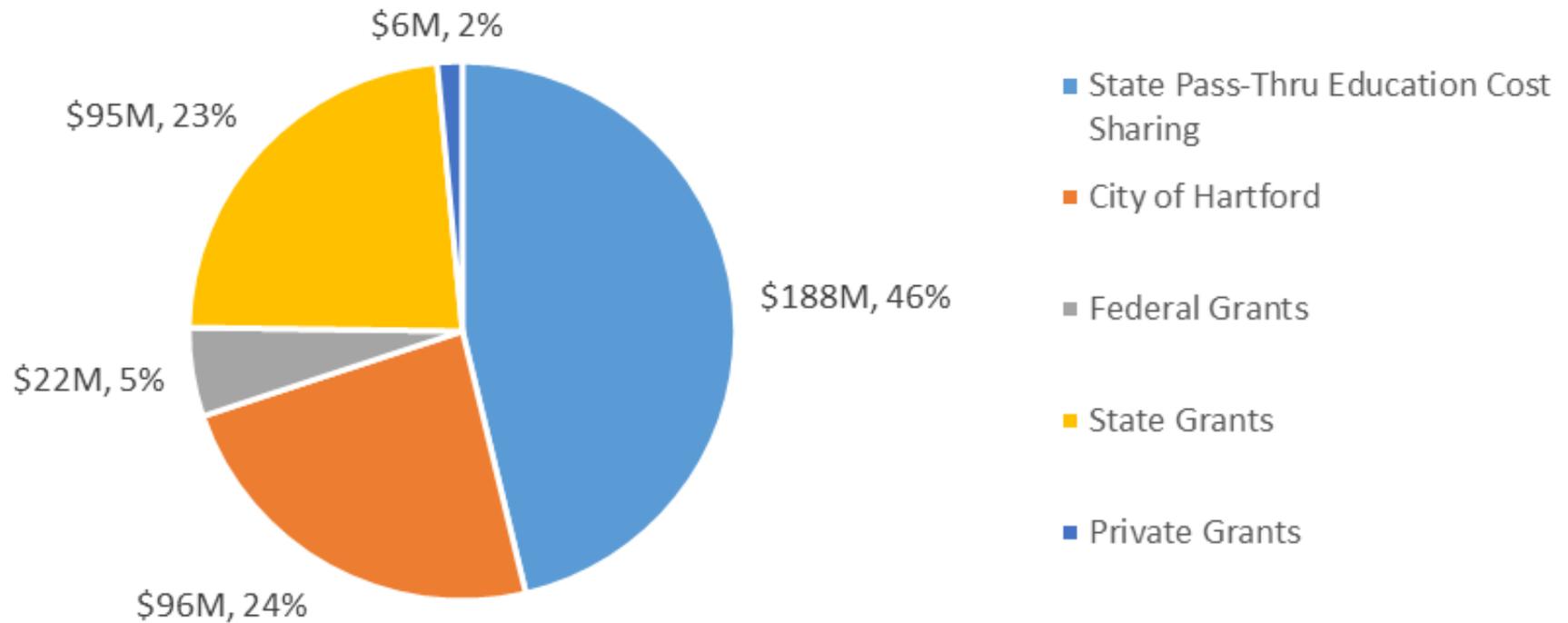


- **General Funds:** intended to finance **core** instructional programs, day-to-day operations to support those programs, and general operations of our school district.
- **Special Funds:** generally restricted use funds and largely **supplemental** in nature. The purpose and use is determined by the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

Where does our funding come from?

2018-2019 Projected All Funds Revenues

Details of the Fund Revenue



FY 2018-2019 Revenue Assumptions

	<u>FY 18 Adopted</u>	<u>FY 18 Projected Actual</u>	<u>FY 19 Proposed</u>
BOE Operating Budget	<u>\$ 417,933,487</u>	<u>\$ 423,189,594</u>	<u>\$ 406,299,007</u>
Education Cost Sharing	\$ 187,974,890	\$ 187,974,890	\$ 187,974,890
Local Tax Contribution and Health & Welfare	\$ 96,033,297	\$ 96,033,297	\$ 96,033,297
Grants / Donations	<u>\$ 133,925,300</u>	<u>\$ 139,181,407</u>	<u>\$ 122,290,820</u>
Total Revenue	<u>\$ 417,933,487</u>	<u>\$ 423,189,594</u>	<u>\$ 406,299,007</u>
Revenue Variance from FY 18 Projection			\$ (16,890,587)
% Revenue Variance from FY 18 Projection			-4%

Special Funds

Projected Revenue Changes from FY 18 Projection to FY 19 Proposed



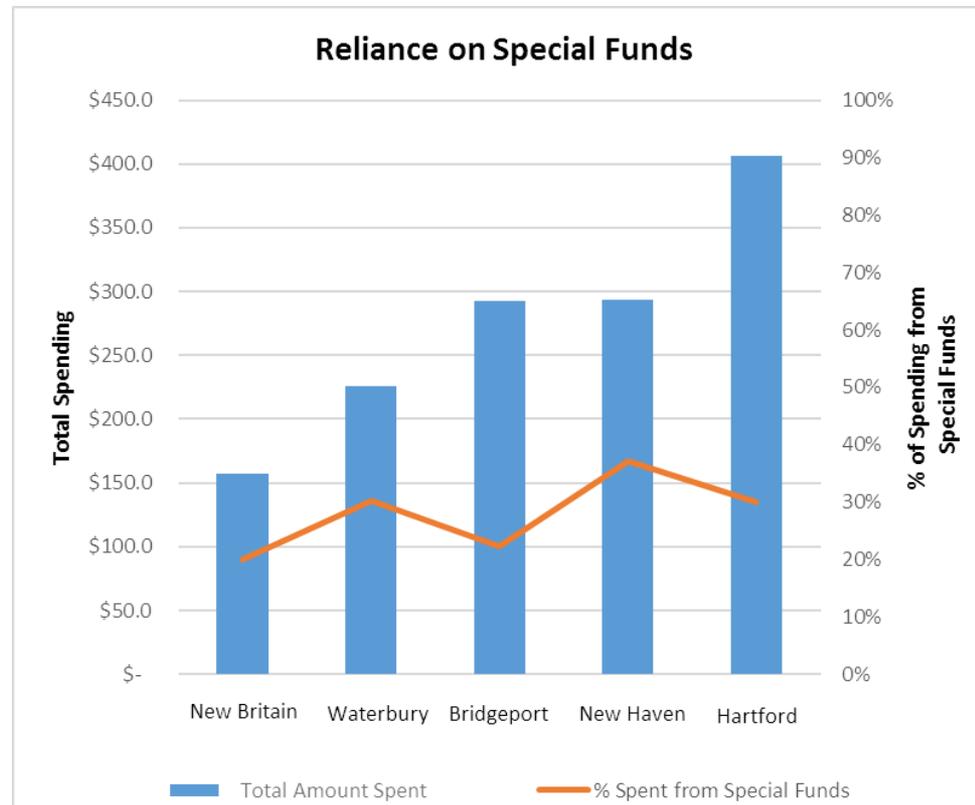
Where the future is present.

60% of the Special Funds Grants are projected to decline in value in FY 18-19

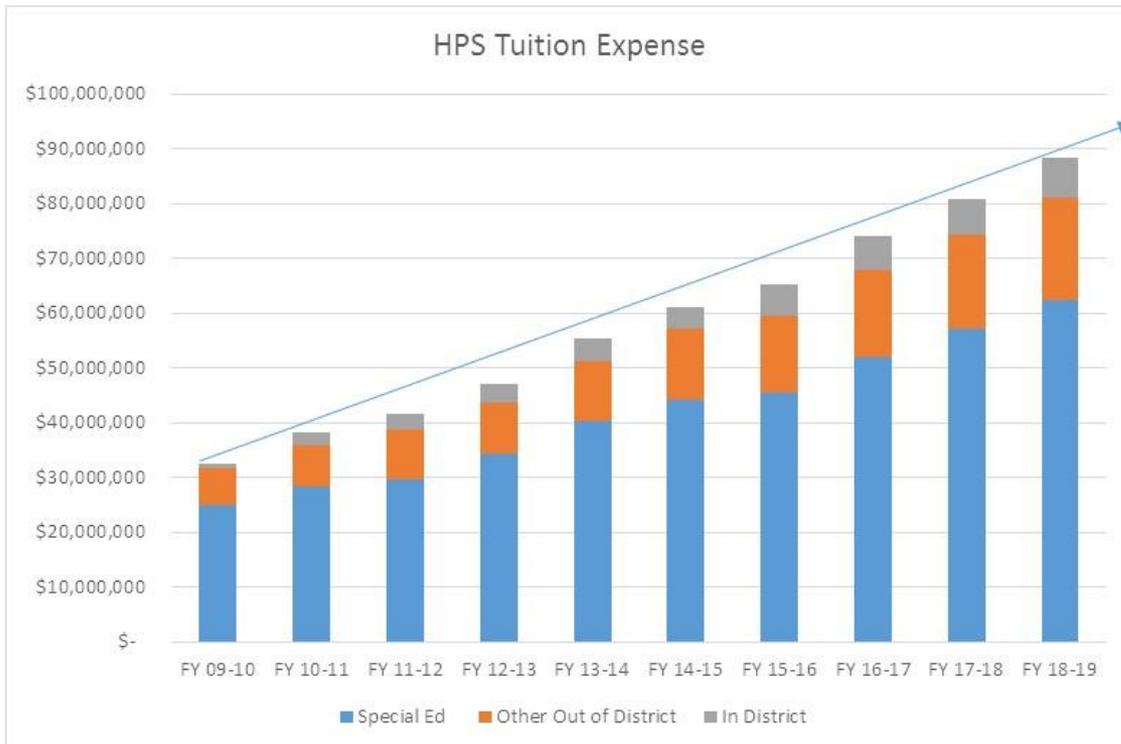
Grant Name	Totals
Sheff (Magnet Incubation)	(\$4,416,789)
State Magnet Operating	(2,691,546)
Other Foundation/Private Sources	(2,198,395)
Alliance District School Buildings Grant	(2,000,000)
Title I Improving Basic Skills	(1,429,071)
State & Federal Pass Through Reductions	(900,808)
Title IV-A Social Support & Academic	(211,247)
All Other	<u>(3,042,731)</u>
Total	(\$16,890,587)

Special Funds Reliance

HPS' reliance on Special Funds is in-line with other Urban School Districts in Connecticut



Financial Trends – Tuition Expense



- 12% average annual growth rate over the last 10 years.
- FY 18-19 early budget estimate is \$88.4M.
- The FY 18-19 early budget estimate is \$55.8M higher than the FY 09-10 expense.
- The \$55.8M increase is a 20% impact to our General Budget.

2018-19 Gap Mitigation Update

Total FY 18-19 Budget Gap: \$24.8M

Mitigation Actions Evaluated to Date:

- Reduced 20 District-Wide Coaches (\$ 3.7M)
- Reduced Central Office Budgets 5-7% (\$ 3.0M)
- Reduced Supplies & Materials (\$ 1.0M)
- Operational Effectiveness (Staff & Process) (\$ 2.6M)

Total Mitigation Actions to Date: (\$10.3M)

Remaining Budget Gap to Mitigate: \$14.5M

Additional Mitigation Strategies in Progress:

- Central Office Non-Bargaining Summer Furlough
- Reduced Contracts
- Summer School Regionalization
- Efficiencies Around Technology
- Consolidation of Central Office Departments
- Transportation

2018-19 Staff Impact

# of Positions Eliminated	FY 18-19	FY 17-18	FY 16-17	FY 15-16	FY 14-15	Totals
Schools	(6.3)	(57.5)	(215.4)	(65.5)	46.3	(298.4)
Central Office	(10.7)	(28.5)	(20.4)	(12.7)	4.5	(67.8)

2018-19 Staff Impact

ALL FUNDS NET POSITION CHANGE SUMMARY

<u>Schools</u>	
Principal/Asst Princ	(3.0)
Dean	(5.0)
Teachers	11.8
Coaches	(20.0)
Social Worker	10.8
Guidance	(1.5)
Clerical	(1.0)
Paraprofessionals	14.1
CDA	(1.0)
FRA	3.0
School and Family Support Provider	(2.0)
Nurse	(3.0)
Gym Pool Asst	2.0
Operations Manager	(4.0)
Project & Program Facilitator	(3.4)
Other Non-Certified Support Staff	(4.1)
Subtotal School Change	(6.28)
<u>Central</u>	
Coordinators	(10.0)
Supervisor/Other	(4.8)
Support Staff	1.0
Clerical Support	1.5
Psychologist	1.2
Language, Speech, Hearing Paraprofessional	0.4
Subtotal Central Services Change	(10.7)
TOTAL CHANGE	(17.0)

Thank You

Q&A