

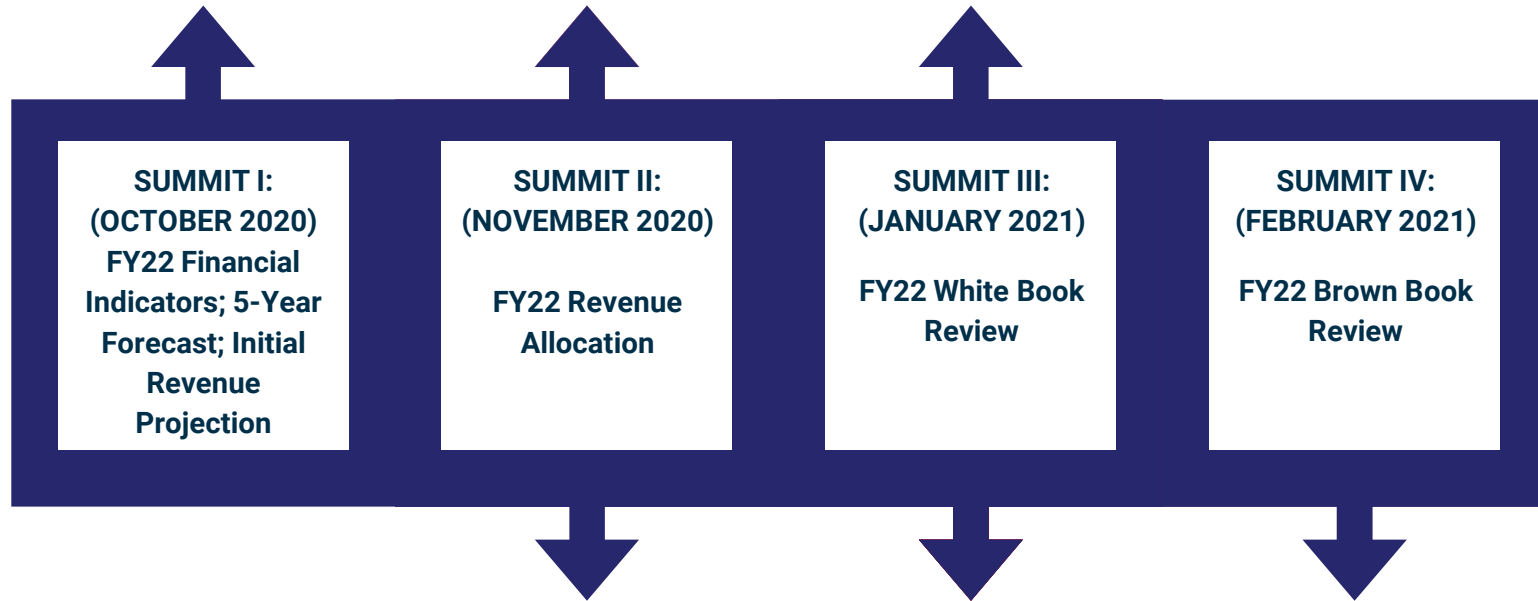
Lexington Public Schools Fiscal Year 2022 Budget

Level Service Budget Recommendation of
the LPS School Committee
February 22, 2021

- **August** - review of prior year spending, and expected changes impacting FY22
- **September** - development of School Committee Budget Guidelines and Calendar for Committee Review
- **October** - Special Education, Departmental, and Principal Budget Meetings
- **November** - Departmental Budget Narratives submissions due
- **December** - Budget recommendation finalized; final review of narratives; build budget tables and charts; print and distribution
- **January** - Superintendent presents budget to LPS staff; School Committee Public Hearings
- **February** - School Committee vote to approve LPS FY22 Budget; Town FY22 Operating and Capital Budget recommendation to Town Meeting Members
- **March** - Annual Town Meeting
- **April** - FY22 School Operating Budget opens for requisition entry



LPS Budget Process and Timeline



FY 2022 Revenue Allocation

- \$249,700,000 - total revenue available for allocation
- \$243,569,000 - allocated across municipal and school accounts
- \$6,131,000 - incremental revenue balance available FY 2022
- Apply Revenue Allocation Model (LPS: 73.7%; Municipal: 26.3%)
- FY21 LPS Base Budget of \$118,357,656 (+\$4,519,325 or 3.82%)
- FY 22 Total LPS Allocation = \$122,876,981



LPS FY 2022 Budget Overview

	FY 2021	FY 2022	Variance	% Change
<i>Salary</i>	\$98,932,332	\$102,654,658	\$3,722,326	3.76%
<i>Expenses</i>	\$19,425,324	\$20,722,323	\$1,296,999	6.68%
<i>Total</i>	\$118,357,656	\$123,376,981	\$5,019,325	4.24%

**Includes Special Education expenses to be funded through use of Special Education Stabilization Fund*



LPS Budget Increases Over Time

4.2%

- FY 2022 - 4.2% or \$5.019M
**includes \$500K from SpEd Stabilization*
- FY 2021 - 4.3% or \$4.854M
- FY 2020 - 5.4% or \$5.859M
- FY 2019 - 6.9% or \$6.989M
- FY 2018 - 6.6% or \$6.432M
- FY 2017 - 7.2% or \$5.667M

FY 22 Budget Assumptions = Full Return

- Easing of restrictions
- Enrollment rebounds to prior projections
- Staffing levels return to normal; no new additions or enrollment impacts
- Expense increases: transportation, tuition, special education services
- Use of \$500K from Special Education Stabilization Fund

FY 2020 Enrollment Projections*

	Actual	Projected		
	FY21	FY22	FY23	FY24
K - 5	2790	2997	2987	2982
		±65	±70	±75
6- 8	1793	1876	1870	1873
		±55	±60	±65
9 - 12	2261	2396	2444	2455
		±40	±50	±60

*Enrollment reflects official Oct 1st report to State.



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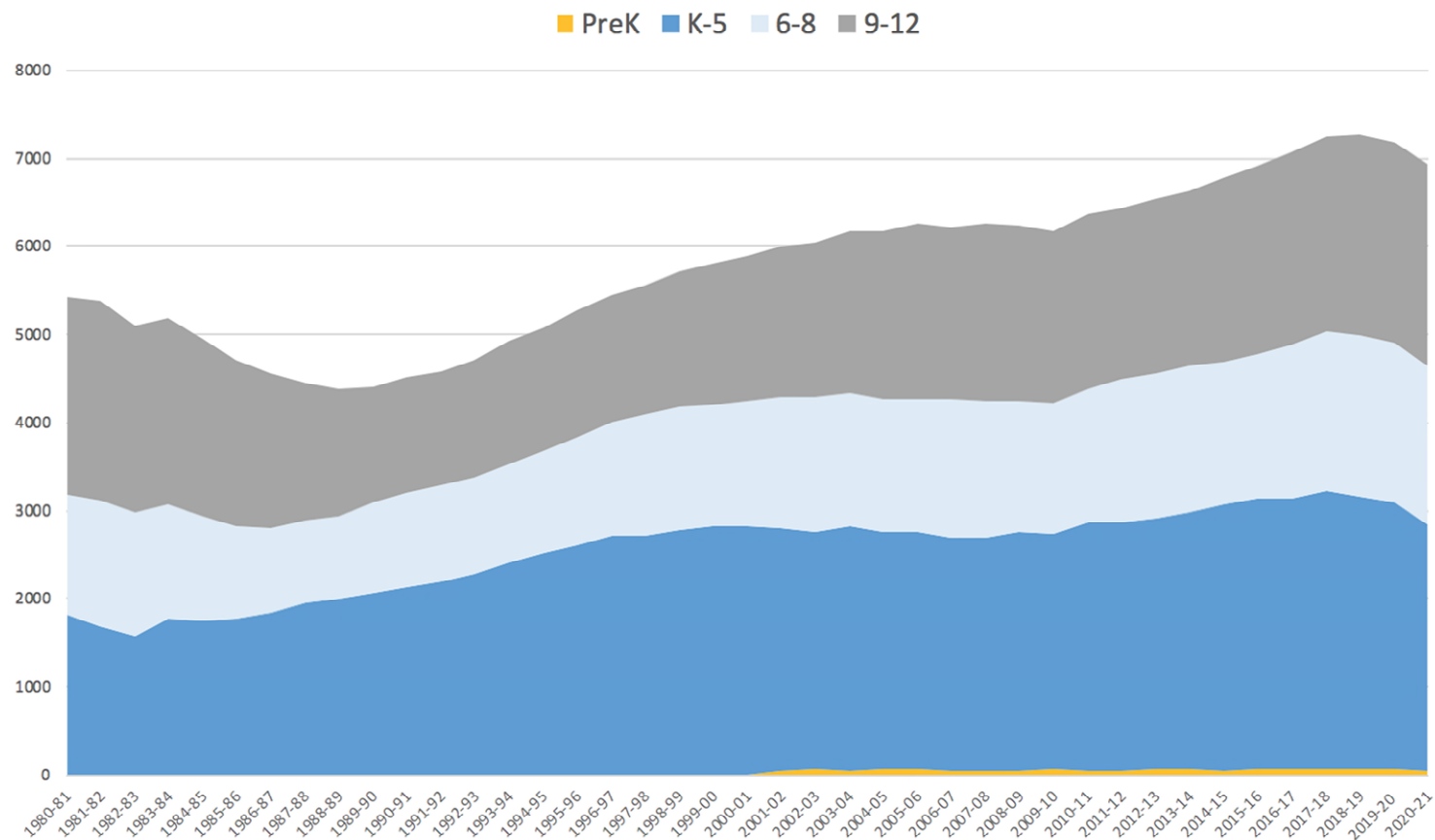
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Annual PK-12 Enrollment Over Time



LEXINGTON
PUBLIC SCHOOLS

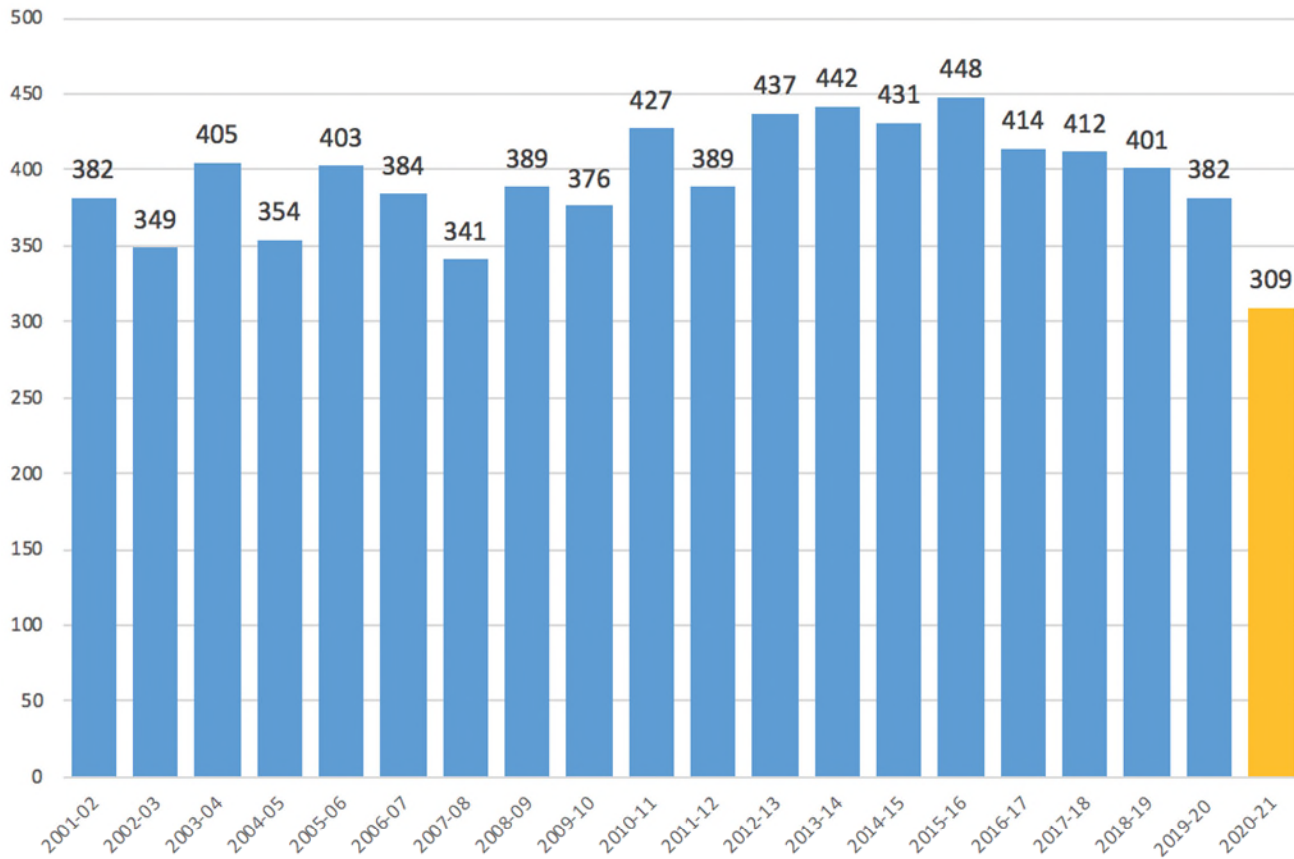
FY 2021: Projections vs. Actual Enrollment

	Projection & Conf. Interval	Oct 1, 2020 Enrollment	Diff.
K - 5	3011 ±70	2790	-221
6- 8	1874 ±50	1793	-81
9 - 12	2295 ±40	2261	-34

- Overall enrollment lower than expected in 2020-2021: **approx. 336 students less than projected**
- Greater impact at K - 8 -- Actual K-8 enrollment was well below what was projected
- HS enrollment as expected and within the range of projected enrollment for 2020-21.

	March 13th to Oct 1, 2019
Moved Out of Country	47
Moved to Another State	112
Transferred to Private School in Lexington	30
Transferred to Private School in MA	85
Transferred to Public School in MA	79
Transferred to Home School	2
Total Count of Withdrawals	355

March 13th to Oct 1, 2020
43
97
30
146
105
20
441



Smaller than usual
entering Kindergarten
cohorts in Lexington and
across the State and
Nation.

Request Category	Program	Sum of FTE GRANTED
Mandate	PE/Health/Wellness K-12	0.10
	Special Education	16.93
	Lexington Children's Place	0.30
Program Improv	K-12 Counseling	-
	PE/Health/Wellness	1.00
Base	LHS	(0.25)
	Special Education	(12.85)
	Fiske	(1.00)
	K-12 ELL	(0.55)
	Finance & Operations	(0.50)
	Special Education	(1.42)
SUPP	6-8 World Language	(0.25)
	Bridge	(0.80)
	Health Services	(1.50)
	Hastings	(1.00)
	K-5 Literacy	(1.00)
	K-12 ELL	(0.25)
	K-12 Counseling	-
Enrollment	K-12 Performing Arts	0.20
	Special Education	(3.87)
	Math Department - Diamond	0.50
	6-8 World Language	0.25
Grand Total		(6.0)

- A net decrease in staffing of 6.0 FTEs
- Staff identified reductions by departments
- Staffing increases identified to meet legal and contractual mandates
- Historic FTE increases
 - FY21 - 3.19 FTE
 - FY20 - 28.07 FTE
 - FY19 - 22.25 FTE
 - FY18 - 49.34 FTE
 - FY17 - 50.58 FTE

LEAN YEAR BUDGET STRATEGIES

Phase I	Phase II	Phase III
<ul style="list-style-type: none">• Reduced fixed personnel costs through attrition and reduction• Offset budget utilizing revolving and special funds• Reduce supplies and software contracts• Review special education placements• Access Special Education Stabilization Funds at Town Meeting	<ul style="list-style-type: none">• May need to address staffing needs if Hybrid/RLA Model still needed• Identify additional expense account costs• Revise revenue from fee funded accounts and adjust expense line-items such as Transportation and Athletics• Expand use of Circuit Breaker or Special Education Stabilization Fund	<ul style="list-style-type: none">• Explore cutting electives and increasing class sizes• Reexamine fees previously increased in 2018• Increase use of Special Education Stabilization Funds• Review all transportation services, routes and ridership requirements K-6 and 7-12

	2008 Enrollment	2019 Enrollment	Percent Growth	2008 Actual NSS	2019 Actual NSS	Percent Growth	Per Pupil Adj. Budget Growth 2008-2019
Brookline	6,004	7,664	28%	\$79,810,953	\$143,367,082	80%	40.73%
Lexington	6,109	7,303	20%	\$81,693,214	\$128,802,238	58%	31.89%
Newton	11,688	12,948	11%	\$156,198,906	\$230,430,209	48%	33.17%
Wellesley	4,653	5,029	8%	\$55,442,005	\$91,642,666	65%	52.94%
Weston	2,308	2,099	-9%	\$34,464,923	\$47,937,670	39%	52.94%

Source: MA Department of Elementary and Secondary Education; Net School Spending - Chapter 70 District Profiles

FY 2008 - FY 2019 Enrollment Adjusted Cost Growth for School Systems in Similar Communities



LEXINGTON
PUBLIC SCHOOLS
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FY 2022 Budgetary Risks and Unknowns

- Impact on local economy and Town revenues due to lingering pandemic impacts
- Chapter 70 State Aid - impact of State revenue and October 2020 Enrollment on Ch 70 Allocation funds
- Circuit Breaker - impact of State funding resources to maintain CB Reimbursement Rates - FY22 Budget assumes 60% vs 70% as in prior years
- Federal 94-142 Grant Aid - Special Education allocations driven by enrollment and set-aside
- Will the FY22 enrollment rebound and return to previous participation rates for transportation, athletics, and food service programs and revenue generation?
- Lingering Impact of COVID-19, including vaccine distribution and efficacy; impacts on student enrollment and staff
- Use of Special Education Stabilization Fund will potentially be depleted by FY23; how will we begin to rebuild the fund?
- Forgoing CPI inflation adjustment on expense accounts and need to manage a leaner budget
- Potential need to continue Hybrid and Remote Learning Academy for part of next school year; costs to carry additional staffing and expenses
- Impact of a lean FY22 budget on future turn-back and FY23 budget

Special Thanks

Dave Coelho, Assistant Superintendent of Finance & Operations;
Laura Reinholm, Assistant Director of Finance; Kathleen Kim,
Financial Analyst; Adrian Leone, Executive Administrative Assistant;
and LPS Finance & Operations Office Staff

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