

2021 ANNUAL TOWN MEETING

REPORT OF THE SCHOOL COMMITTEE

The School Committee unanimously recommends the fiscal year 2022 operating and capital budget as presented herewith. The Committee believes it is a fiscally responsible plan to meet the educational needs of the Town's students. The general fund portion of the proposed budget is \$43,817,917, which is an increase of \$911,108 or 2.12%. Including school related debt-service, health insurance, pension and other shared Town overhead expenses, the total proposed school budget is roughly \$61.1mm, which is an increase of 2.75%.

Budget Process

We are a small community with excellent schools. We discuss some of the unique benefits of the Weston Public Schools under "Quality of Our Schools" below. First, we will discuss our budget process.

The budget was developed collaboratively following the School Committee Budget Guidelines to:

- Preserve Excellence in Curriculum and Instruction;
- Maintain Safe and Secure Environment and Infrastructure; and
- Maintain the Rate of Budget Growth at a Responsible Level.

These guidelines reflect the Town's desire to maintain the overall strength of the school system by supporting the needs of all students while remaining fiscally responsible. The recommended budget encompasses collective bargaining requirements, Federal and State mandates such as the provision for Special Education, and elements of the District's Strategic Plan and the Superintendent's Goals.

The budget is developed over a period of 4-5 months, including dozens of internal Administrative Team meetings, numerous meetings between the budget sub-committees of the School Committee and Finance Committee, a meeting between the full School Committee and the full Finance Committee, multiple open School Committee meetings, and a Budget Hearing. The Committee and the Administrative Team are focused on preserving and enhancing the curriculum and student experience while also making targeted reductions to slow the rate of growth and adjust for recent declines in enrollment. Actual spending in recent years has come in below the approved budgets, and overall growth has been more modest than originally projected.

The on-going COVID-19 pandemic produced unprecedented challenges to education in general and our budget in particular. The district has remained a leader across Massachusetts in the number of hours of in-person learning provided to students. To achieve that result in a safe manner, during the 2020-2021 school year the district hired more than 35 additional employees, and spent significant sums on technology, new instructional materials, personal protective equipment, cleaning supplies, protective dividers, COVID testing, air purifiers (largely funded by parents through WEEFC), and tents. Through the district's careful fiscal management of existing resources and available federal and state grant funds, these additional expenses were absorbed without the need to return to the Town for increased funding.

Drivers of the Fiscal 2022 Budget

The table below highlights key drivers of growth in the fiscal 2022 general fund budget, which does not include town overhead or debt service. The analysis in this section reflects changes from the fiscal 2021 approved budget. While the actual fiscal 2021 total general fund budget is expected to be unchanged from the approved budget, the number of actual fiscal 2021 FTEs is far larger than budgeted due to hiring to address COVID. FTE comparisons in this section are comparisons to the FTEs in the fiscal 2021 approved budget because we believe those are more meaningful. Salary and Other Compensation represent approximately 85% of the general fund budget. In addition to the negotiated cost of living adjustments (COLA) with our six collective bargaining units, our faculty unit provides for employee salary increases through "steps" and "lanes" movement. Continued employment allows faculty members to move through the steps, one step each year. Professional development and continuing education allow faculty members to move lanes. Salary increases are determined by a combination of step and lane movements. Accordingly, salary increases in the budget will invariably increase in excess of the negotiated cost of living adjustments (COLA) increase and can only be offset by reductions in staff. The "step" and "lane" increase for faculty in Fiscal '22 is approximately \$403,000.

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Description	FY'21 Approved	FY'22 Proposed	FY'22 Variance	% Change
Salary & Other Compensation	36,511,467	36,991,342	479,875	1.31%
Instructional Materials	1,386,051	1,506,993	120,942	8.73%
Contracted Services	1,092,417	1,103,097	10,680	0.98%
Contracted Student Services	3,756,602	3,943,517	186,915	4.97%
Utilities	1,522,694	1,555,984	123,743	2.19%
Equipment and Vehicles	577,578	639,277	61,699	10.68%
State Aid and Offsets	<u>(1,940,000)</u>	<u>(1,922,293)</u>	<u>17,707</u>	<u>(0.91%)</u>
Total \$	\$42,906,809	\$43,817,917	\$911,108	2.12%
Total FTE	415.584	409.697	(5.887)	

Salary and other compensation are increasing by \$479,875 or 1.31%. The fiscal 2022 growth is driven by contractual obligations but is tempered by 8.5 FTE reductions at the High School, Middle School and Elementary Schools. This relatively low growth rate in compensation reflects the two most recent rounds of collective bargaining agreements negotiated by the School Committee. COLA increases in fiscal year 2022 are limited to 2% for our teachers, and to 1.25% - 2% for other bargaining groups.

Contracted Student Services is increasing by approximately \$187,000, due almost entirely to an increase in Out-of-District tuition. Outplacement tuition expenses are approved by the Massachusetts Executive Office for Administration and Finance, Operations Services Division. We have, and will continue to, intentionally invest in new programs to in-source more of our special education programming with the ultimate goal to reduce expensive outplacements and keep our students within the district.

The increase in utilities is primarily due to the renovated Case House coming back online and usage patterns. The increase of \$120,942 in instructional materials is primarily due to an increase of almost \$90,000 for cleaning supplies, as well as cost increases in gasoline for buses, athletic supplies and instructional supplies. The increase in equipment and vehicles is driven by approximately \$50,000 in technology hardware and price escalation for bus purchases totaling approximately \$11,000.

In addition to the general fund budget discussed above, the total impact of the school budget on the Town includes debt service and overhead costs. Debt Service for the School Department is projected to decline to \$4.5 million in fiscal 2022 from a recent high of \$5.3 million in fiscal 2020. The School Department has taken excellent care of our buildings and facilities, and does not anticipate major increases in debt service costs as a result of deferred maintenance or the need to fully replace any buildings. With the completion of the Case House renovation, the School Department is planning a number of feasibility studies to evaluate the potential for partial renovations of the Middle School and High School. A separate warrant article elaborates on these proposed studies. Some of our comparable communities have large school construction projects in the works that will increase property tax bills but will not impact per-pupil-expenditure comparisons based on state data. Lincoln is building a \$94 million elementary school and Concord is designing a \$90 million middle school.

Overhead costs allocated to the School Department include health insurance, retirement contributions, unemployment, workers compensation and Minuteman tuition and transportation. While the final overhead numbers were not confirmed as of the writing of this letter, the Town projects that OPEB contributions related to the schools will increase approximately \$871,000 in fiscal 2022, due primarily to catch-up from reduced payments in fiscal 2021. Health insurance represents roughly 60% of overhead costs. Finding a way to control healthcare costs has been a high priority for the Committee, the Select Board and the Town Manager. The six-year GIC contract between the Town and the unions covering health care costs ends on June 30, 2021. The Town negotiated a new agreement with the unions that will result in reduced

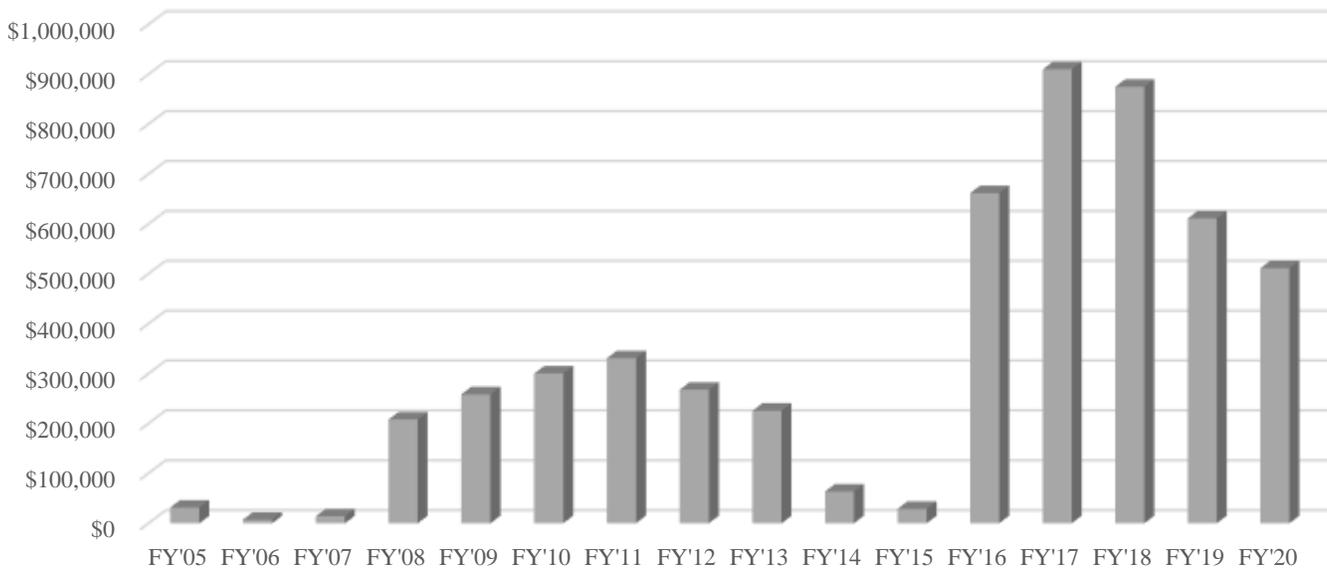
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contributions from the Town. The School Committee expects that this will result in a reduction of the rate of growth in the health insurance costs and OPEB fund contributions that comprise a meaningful percentage of overhead costs. It is important to note that the Middlesex retirement system is projecting that Weston's contributions will need to increase by 6.5% per year through 2024 and 4% annually beyond that to be fully funded. Fortunately for the town, teacher pensions are an obligation of the Commonwealth, rather than the Town. Recent financial disclosures indicate that Weston's teacher pensions are an \$82 million obligation for Massachusetts.

The expense discipline of the School Department is highlighted by the fact that actual spending has come in below the budgets approved by Town Meeting in recent years. In the five years from fiscal 2016 through fiscal 2020, the School Department has returned over \$3,570,000 to the general fund.

The table below shows the surplus returned to the general fund since fiscal 2005.

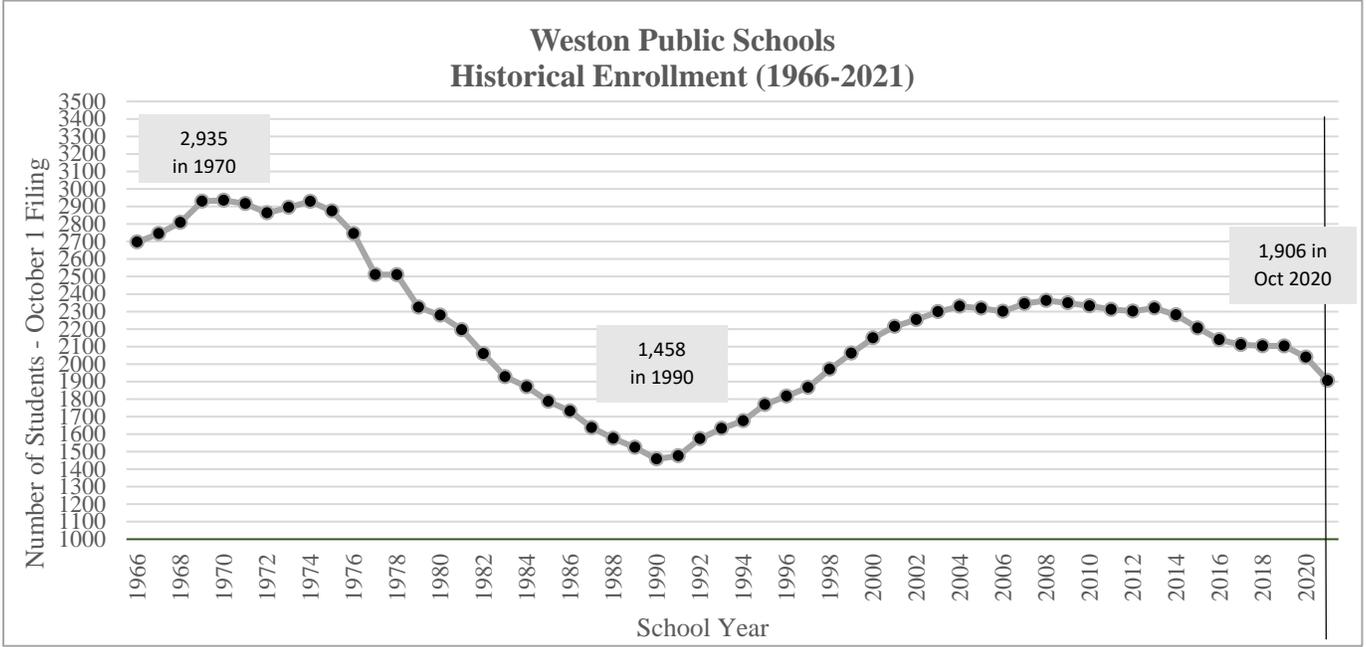
General Fund Surplus at Year's End



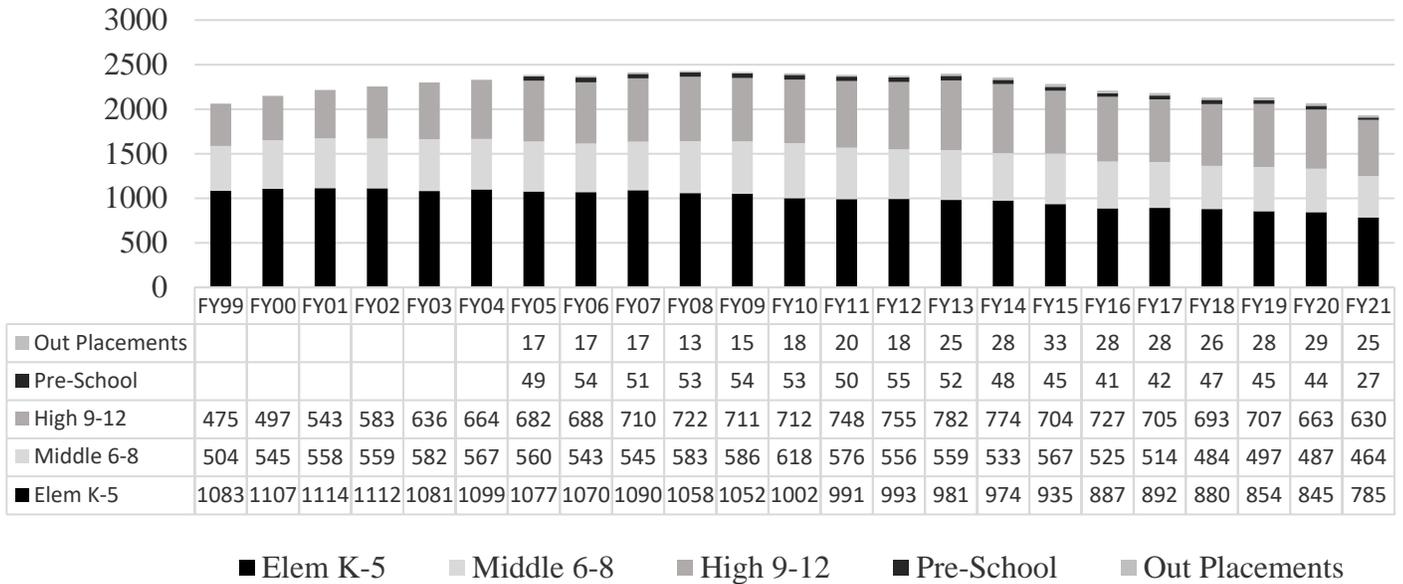
Enrollment Changes

For the past eight years there has been an active discussion on the Committee about school enrollment and budget trends. The chart below shows Weston Public Schools enrollment over a 50+ year period and illustrates a cycle of rising and falling enrollment from highs over 2,900 students in the mid-1970's to lows under 1,500 students in 1990. Our enrollment during the 2020-2021 school year reflected a significant decrease due to Covid-19, an impact that was mirrored in districts across the Commonwealth. The School Committee reviews demographic data and enrollment projections annually.

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The chart below illustrates the change in enrollment and the underlying mix shift we have seen in town over the last 20 years. Currently, 33% of the student population is in the high school vs. only 23% in 1999. Elementary is down to 41% from 53% in 1999. Families are moving to Weston when their children are older, and many residents are keeping their homes long after their children have graduated. In general, high schools are more expensive to run per student, primarily due to the variety of courses offered.

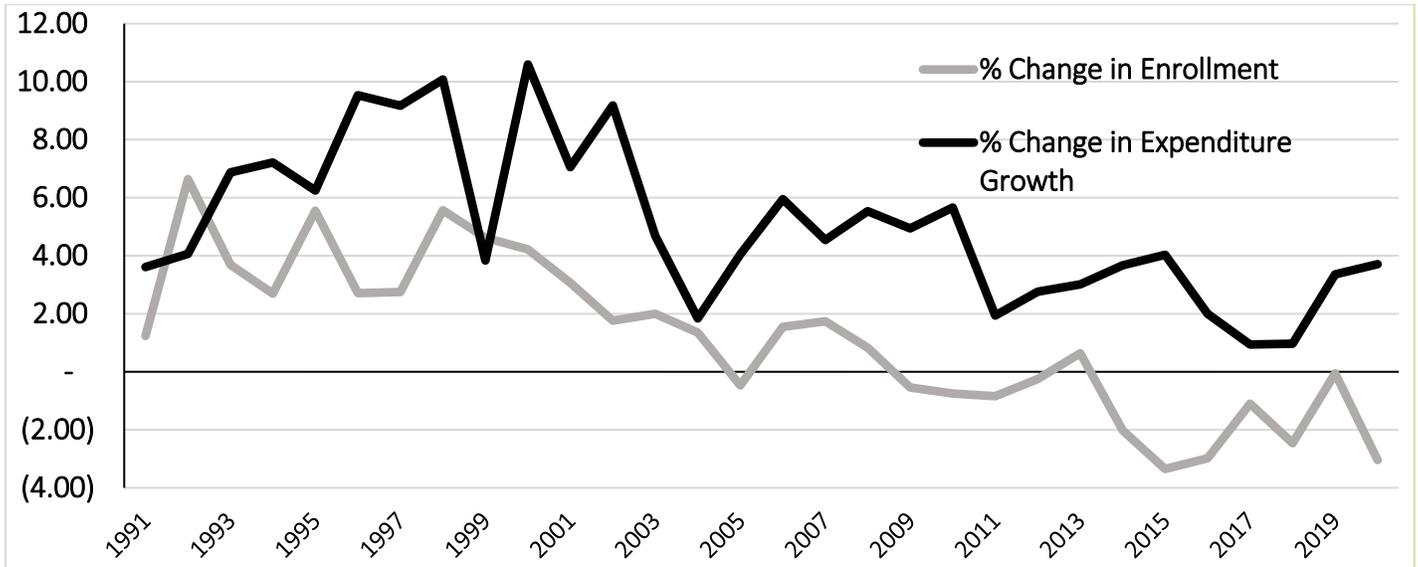


The Committee recognizes the need to be disciplined about expenses, and we have made several reductions and cuts over the years to contain the rate of growth. The fiscal 2022 budget reflects approximately 18 fewer FTEs than the approved fiscal 2020 budget. However, expenses will not decline in-line with enrollment because of the structure of the teacher contract, which includes annual cost-of-living increases, “steps” for longevity, “lanes” for professional development and seniority rules. Although we are able to reduce the number of teachers as enrollment declines to keep class sizes within our policy range and to reduce expenses, these teachers are usually the youngest and least expensive, resulting a lower corresponding drop in total salaries. We also recognize the benefits of smaller class sizes, so are mindful of maintaining an appropriate balance between fiscal responsibility and educational excellence.

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While the annual budget process described above is very transparent to the public through posted documents, presentations, and open meetings, much of longer-term budget planning simply cannot be transparent to the general public. The district is in the midst of planning for structural changes to address possible continued declines in enrollment. However, these structural changes impact employees, and in any given scenario for change in a small district like Weston, it would be easy to identify the impacted individuals. These types of changes cannot be discussed publicly until they are closer to implementation.

The chart below illustrates that the historical change in spending has generally declined over time as enrollment growth has slowed and then recently declined.



Per-Pupil Expenditure

The School Committee has been asked to analyze our cost structure relative to other districts, generating significant discussion and analysis regarding publicly-reported per-pupil expenditures. While benchmarking can be a valuable exercise, finding consistent and reliable data from comparable districts can be more challenging than it might appear, and state records of per-pupil expenditure may not be the best comparison tool.

Each town makes accounting and reporting decisions that significantly impact what is and is not included in per-pupil expenditures (PPE). For instance, federal, state, and private grant funds are not offset in PPE calculations. As a result, our efforts to provide additional programming through WEEFC funding, health and nursing grants, or other programs increase our PPE relative to other towns, even though there is no impact on resident taxes. In addition, each town handles cost-sharing among municipal departments differently, which can cause material differences in PPE. For example, a nearby town showed \$0 for certain utility costs in a recent year, driving down their PPE despite the fact that we are certain they actually heated their buildings that year. Finally, we typically include technology purchases, such as student iPads or Chromebooks, in our operating budget while many towns record these as capital items funded separately from the school budget.

On comparisons, it is important to note that the state data does not include debt service in PPE calculations, which is a material factor that differs significantly between districts. Many towns (like Concord) regularly use debt to pay for routine capital expenditures, which makes it more challenging to compare per pupil expenditures on an apples-to-apples basis. Weston has sought to reduce our use of debt for regular, recurring capital purchases like vehicles and computer equipment, which is a fiscally prudent thing to do.

There are also a number of drivers that boost our costs and cost per student relative to comparable communities. In no particular order, these include:

- Many of our comparable communities are much larger – Lexington, Wellesley, and Wayland have enrollment of 6,901, 4,432, and 2,700 respectively, compared to our 1,906. Many of our comparable communities share a

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regional high school with higher enrollment (Dover-Sherborn, Lincoln-Sudbury, Concord-Carlisle, Acton-Boxborough.) High Schools are generally the most expensive building in a district to operate.

- We have 3 elementary buildings and the associated overhead staff (i.e. principal, assistants, custodians, etc.)
- We provide a very rich and diverse student experience at the high school. We run an 8-day, 40-block rotation to ensure more students can take the courses they are interested in. We include music classes during the school day. We have students in the high school who choose to take more courses than they are required to.
- We do not charge student activities fees for most of our athletic and extracurricular programs.
- We provide busing for all our kids (including late buses) with our own buses and drivers who are town employees. We do not charge fees for riding the bus.
- We provide our own food service.
- Weston supports a higher percentage of METCO students than other districts and the METCO grant only covers a fraction of our expenses for this program.
- Our costs including employee benefits are “fully loaded” because we are contributing the full amount required to the Middlesex Retirement system and the Town has elected to contribute to the OPEB trust fund to offset these future obligations. These benefits costs also include current expenses for retirees that were not fully reserved for during their employment.

The Committee does believe, however, that PPE provides valuable information to aid in responsible planning and budgeting. Analysis of PPE revealed that our reimbursement of health insurance premiums was substantially higher than other towns. As discussed above, the most recent negotiations by the town with its unions began to reduce this imbalance. In addition, in union negotiations, the Committee has focused on making long-term cost-saving steps, such as increasing the number of years it will take teachers to reach the top level of salary. Those efforts will continue in negotiations that begin in the fall of 2021.

Many of the cost differentials listed above are policy decisions that can be revisited. The district is convening a broad committee tasked with a review of the high school schedule. Moving the high school to a schedule similar to other area schools could provide significant cost savings, but could also involve tradeoffs that must be considered carefully. The town may decide that it would support charging fees for sports, activities, and/or busing, or look to outsource certain functions. Charging for even a few of these would dramatically impact Weston’s PPE. Each of these decisions has benefits and costs, and must be weighed carefully. The Committee is focused on responsible budget stewardship while providing excellence in education.

Excellence in Education

For the past few years, some residents have expressed concerns that Weston is not getting enough “value” from our school budget. The Committee believes that making value judgments about schools is a nuanced exercise, and standardized test scores and magazine ratings are only parts of a much larger scorecard. While standardized tests provide important information, there are diminishing returns from “teaching to the test” and many students benefit from a focus on improving in other areas. While college placement is another important measure, we believe that it is more important that our students are well prepared academically and emotionally to succeed in those college environments.

We also feel it is important to address comments from opinion articles in the local newspaper that Weston’s schools have “performance metrics which are not materially different” from comparable towns. We believe this takes a very narrow view and considers standardized test scores as the only meaningful performance metrics. We disagree with this overly simplistic approach and can point to many tangible and intangible performance metrics where Weston schools excel relative to our peers. Some examples, again in no particular order, include:

- Exceptional fine arts and extra-curricular programs. Our representation in state, national, and even international competitions and festivals is extraordinary given the relatively small size of the district.
 - The school music program is offered during the school day to allow students to participate in other extracurricular and athletic activities. Weston has been named a “Best Communities for Music Education” every year for over a decade. Participation in Band, Chorus and Orchestra is high – roughly 90% of our 3rd to 5th grade students, 80% of our Middle School students and 50% of our High School Students. Our High School Symphony Orchestra has roughly 95 students which is over 15% of the school. Weston consistently has many students selected for Eastern Districts, All-States and regularly has students selected for All-Eastern and All-Nationals., which is extraordinary given the small size of our school.

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- Our drama program performs numerous productions annually, and places highly in state and national competitions.
- Our visual arts programs offer a robust program of studies, and both our students and faculty are regularly recognized for excellence at the state, local, and national level.
- Our math, business, robotics, and other teams place highly state and national competitions.
- Our high school supports almost 50 active clubs.
- Athletic programs that focus on teamwork and sportsmanship and offer greater opportunity for participation than many of our comparable towns. Despite our small size, we field a number of playoff and championship teams each year.
- The Case Campus, which provides a robust outdoor classroom experience for our elementary students.
- Outstanding educators with low turnover and high continuity.
- The integration of project-based learning and design thinking into our teaching and learning. These skills are increasingly seen to be as important as literacy and numeracy, but they are not easily captured in the current standardized test scores.
- Our robust and successful METCO program, which represents a much higher percentage of our student population than most other METCO programs.
- To share a comment from Dr. Kimo Carter, our Assistant Superintendent for Teaching and Learning, Weston is set apart from other communities by the amount of “relational trust” between students, administrators, teachers, and parents. This is an intangible that is very hard to measure in standardized rankings.
- Our students continue to be accepted at an impressive list of schools. Our graduates are well-prepared for college – another intangible that our families are better equipped to measure than Boston Magazine. We have attached a list of colleges attended by the Class of 2020 to the end of this letter.

We appreciate that all of these programs and outcomes are boosted by support from our families and individual effort by our students, but these are all things that current and former parents talk about when discussing the value and performance of our schools.

It is also important to remember that School Committee members have statutory and ethical obligations to our current and future students - we are not simply accountable to voters and taxpayers. Our school employees are subject to a growing number of state and federal laws, regulations and mandates.

The School Committee would like to acknowledge the efforts of Dr. Midge Connolly, Dr. Kimo Carter, Sheri Matthews, Ben Wilkins, our building principals and other staff members for their help in developing this budget. We appreciate that Weston voters have consistently supported the school budget in order to maintain the quality of our educational programs. We do not take that support lightly. We will continue to request only as much as we need to deliver the high-quality educational services that our students require and deserve.

SCHOOL COMMITTEE MEMBERS

John Henry, Chair
Anita Raman, Vice Chair
Alex Cobb
Alyson Muzila
Rachel Stewart

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Colleges Attended by the Weston High School Class of 2020

163 members of the Class of 2020 will attend 97 colleges and universities. These schools are located in 28 states, Canada, Switzerland, and the United Kingdom.

Arizona State University-Tempe	Hobart William Smith Colleges	Tulane University of Louisiana
Barnard College	Indiana University-Bloomington	University of British Columbia
Bates College	Ithaca College	University of California-Berkeley
Bentley University (3)	Johnson & Wales University	University of California-Santa
Berklee College of Music (2)	Providence Lafayette College	Barbara University of Chicago
Boston College (5)	Loyola University Maryland	University of Connecticut
Boston University (5)	Macalester College	University of Maine (2)
Brandeis University	Mass. Institute of Technology (2)	University of Massachusetts Boston (2)
Bridgewater State University	Mass Bay Community College (4)	University of Massachusetts Dartmouth
Brigham Young University- Provo	McGill University (2)	University of Massachusetts-Amherst (4)
Brown University (2)	Merrimack College (3)	University of Massachusetts-Lowell
Bryn Mawr College	Middlebury College (2)	University of Michigan-Ann Arbor (4)
Carnegie Mellon University (2)	Morgan State University	University of New England
Case Western Reserve	New York University (3)	University of Rhode Island
University Champlain College	Norfolk State University	University of Richmond (2)
Clemson University	Northeastern University (3)	University of Rochester
Coastal Carolina University	Northwestern University (2)	University of South Carolina
Colby College (2)	Ohio State University	University of St Andrews
College of the Holy Cross (2)	Pennsylvania State University	University of Vermont (4)
Colorado College (3)	Pratt Institute	University of Wisconsin (6)
Connecticut College	Princeton University	Vanderbilt University
Cornell University	University Providence	Virginia State University
Curry College	Regis College	Wake Forest University
Dartmouth College (2)	Rensselaer Polytechnic Institute	Washington University in St Louis
Drexel University	Rochester Institute of Technology	Wentworth Institute of Technology
Duke University (2)	Salem State University	Wesleyan University (2)
EHL - Ecole Hoteliere de Lausanne	Santa Clara University (2)	West Virginia University
Elon University (2)	Smith College (2)	Wesleyan College
ESCP Europe Business School –	Stanford University	College of William and Mary
London Fisher College	University Stonehill College	Williams College
Fordham University	Texas Christian University (2)	Worcester Polytechnic Institute (5)
Gettysburg College	The University of Texas at Austin	Yale University
Harvard College (4)	Tufts University (3)	

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