

**Worcester Public Schools**  
Worcester, Massachusetts

**FY12 BUDGET**

**Preliminary Estimates**

*Based on Governor's Proposed Budget  
(House 1)*



February 2011

# BUDGET UPDATE

## Preliminary Budget Projections (December 2010)

### FY12 BUDGET Preliminary Estimates

#### Estimated FY12 Budget Status:

Revenue Change:	\$ 1,807,784
Expenditure Increases:	<u>\$ 10,068,920</u>
<u>Preliminary Budget Deficit:</u>	-\$ 8,261,136



# **FY12 BUDGET**

## **Preliminary Estimates**

*Updated: February 2011*



# FY12 BUDGET

## Preliminary Estimates

### Estimated FY12 Cost Increases:

Health Insurance <sub>(10% increase)</sub>	\$4,798,785
Employee Salaries <i>(no raises*)</i>	\$2,857,183
<b>Charter School Tuition:</b>	<b>\$1,085,864</b>
Special Ed. Tuition	\$ 1,078,168
Student Transportation	\$ 712,833
All other cost areas:	<u>\$ 533,956</u>
<b>Total Est. Cost Increases:</b>	<b>\$11,066,790</b>

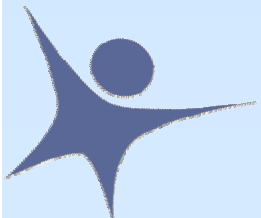


*\* Each 1% in employee raises (all groups) = \$1.7 million*

# **FY12 Foundation Budget**

## **Description of Growth**

- **Enrollment increase: 280\***
- **Shift in student demographic to ELL (+1,316)**
- **Inflation increase 1.78%**



\* WPS students only. Does not include charter school or school choice students

# **FY12 BUDGET**

## **Governor's Budget for Education**

- **Each community maintained at foundation budget level.**
- **Three quarters of 326 school districts will see a net decrease in Chapter 70 aid of 5-7.5%**
- **Overall state budget reduced \$570 million (largest single year reduction in two decades)**
- **Level funded Quality Kindergarten Grant and Charter School Reimbursements**
- **Increase “Circuit Breaker” statewide by \$80 million**



# FY12 Budget

## Governor's Budget for Education

### **Looking Forward... FY12**

#### **Awaiting State Budget**

##### **Issues and Areas of Concern:**

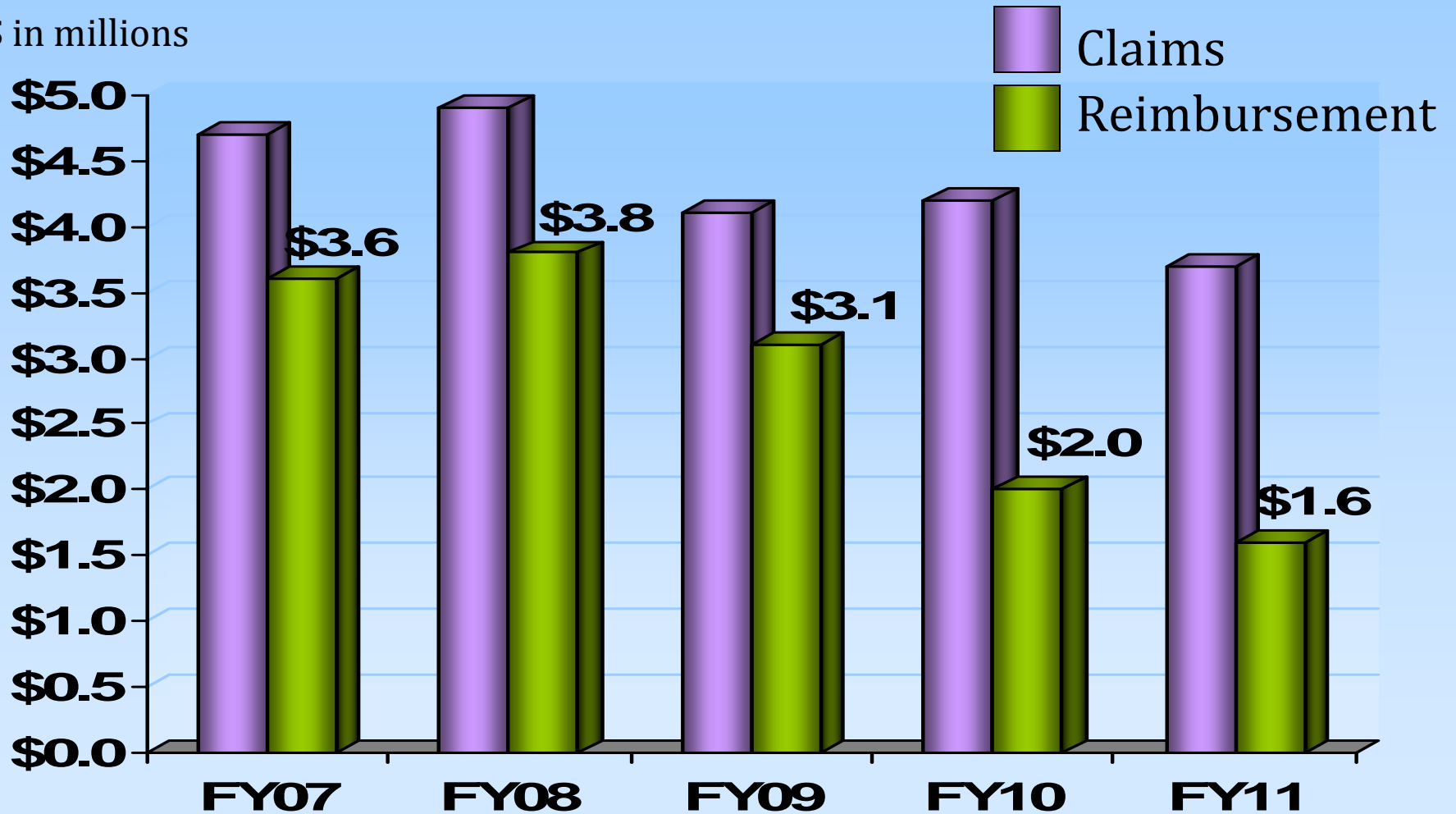
**Circuit Breaker (funded at 40%)  
(\$1.6 million)**

**Quality Kindergarten Grant (\$1 million)**

**Charter School Reimbursements (\$4.4 million)**

# Circuit Breaker Funding

\$ in millions



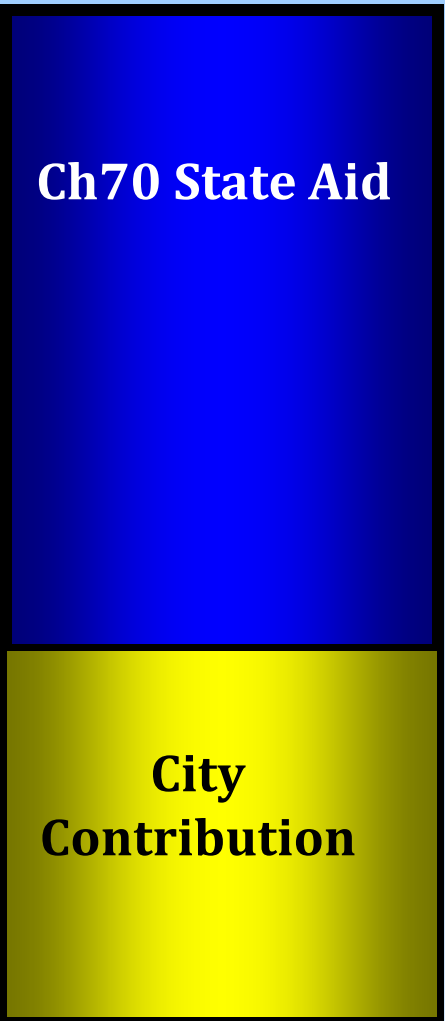


# Estimated FY12 Foundation Budget

Foundation Budget Level



<b>Ch70 State Aid*:</b>	<b>\$ 9,622,475</b>
<b>City Contribution:</b>	<b><u>\$ 1,466,923</u></b>
<b>Total Growth:</b>	<b>\$11,089,398</b>



\* Plus \$3,674,638 to backfill SFSF and EdJobs used to reach foundation in FY11. Ch70 growth includes estimated Charter School foundation increase.



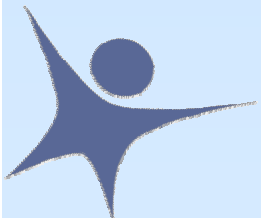
# FY12 BUDGET

## Preliminary Estimates

### Estimated FY12 Revenue Change:

<i>Chapter 70 State Aid</i>	\$13,297,113
<b>City Contribution</b> <i>(state formula)</i>	\$ 1,466,923
<b>Federal Stimulus Funds</b>	<b>-\$ 10,732,103</b>
<b>Circuit Breaker Funding</b>	\$ 1,100,000
<b>Charter School Reimbursements*</b>	<b><u>-\$ 755,740</u></b>
<b>Total Est. Revenue Change:</b>	<b>\$ 4,376,193</b>

*\*Based on anticipated student growth for Spirit of Knowledge Academy and reduced reimbursement (based on historical experience)*

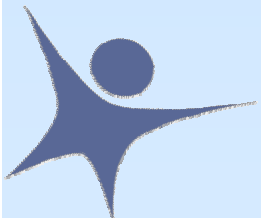


# FY12 BUDGET

## Preliminary Estimates

### Estimated FY12 Budget Status:

Revenue Change:	\$ 4,376,193
Expenditure Increases:	<u>\$ 11,066,790</u>
<u>Preliminary Budget Deficit:</u>	-\$ 6,690,597

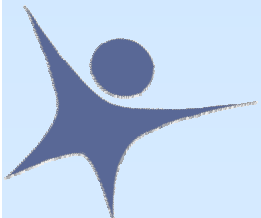


# Projected Budget Status

**Stimulus Cliff: \$6.7 million**

**Equivalent to 134 Positions**

**And 3.6% of WPS workforce**

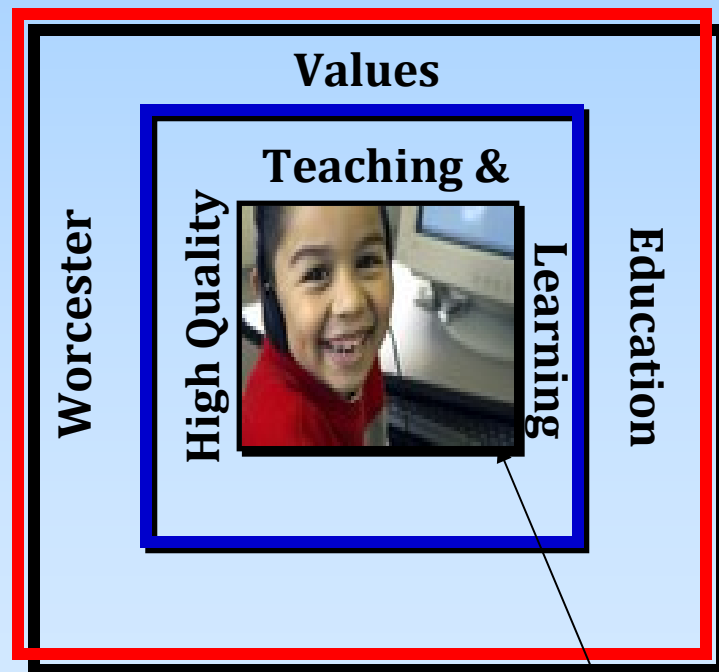


# Health Insurance Savings

<u>Ratified Contract</u> <i>With 75-25 Health Insurance</i>		<u>Unsettled Contracts</u> <i>With 80-20 Health Insurance</i>	
<b>Group</b>	<b>Average Salary</b>	<b>Group</b>	<b>Average Salary</b>
Custodians	\$42,835	Teachers	\$67,320
Admin Clerical	\$43,829		
School Clerical	\$25,911	Instructional Assistants	\$22,239
<b>Potential Savings:</b>			<b>\$2.9 million</b>
<b>Potential Number of Positions saved:</b>			<b>58</b>

# A Student-Centered Budget

The FY12 budget zero-based process has started and will be developed with the School Committee and our school community using priorities and recommendations resulting in a student-centered balanced budget.



Mandated,  
Non-Negotiable