

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

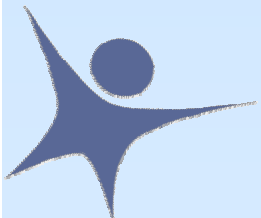


** Each 1% in employee raises (all groups) = \$1.7 million*

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:

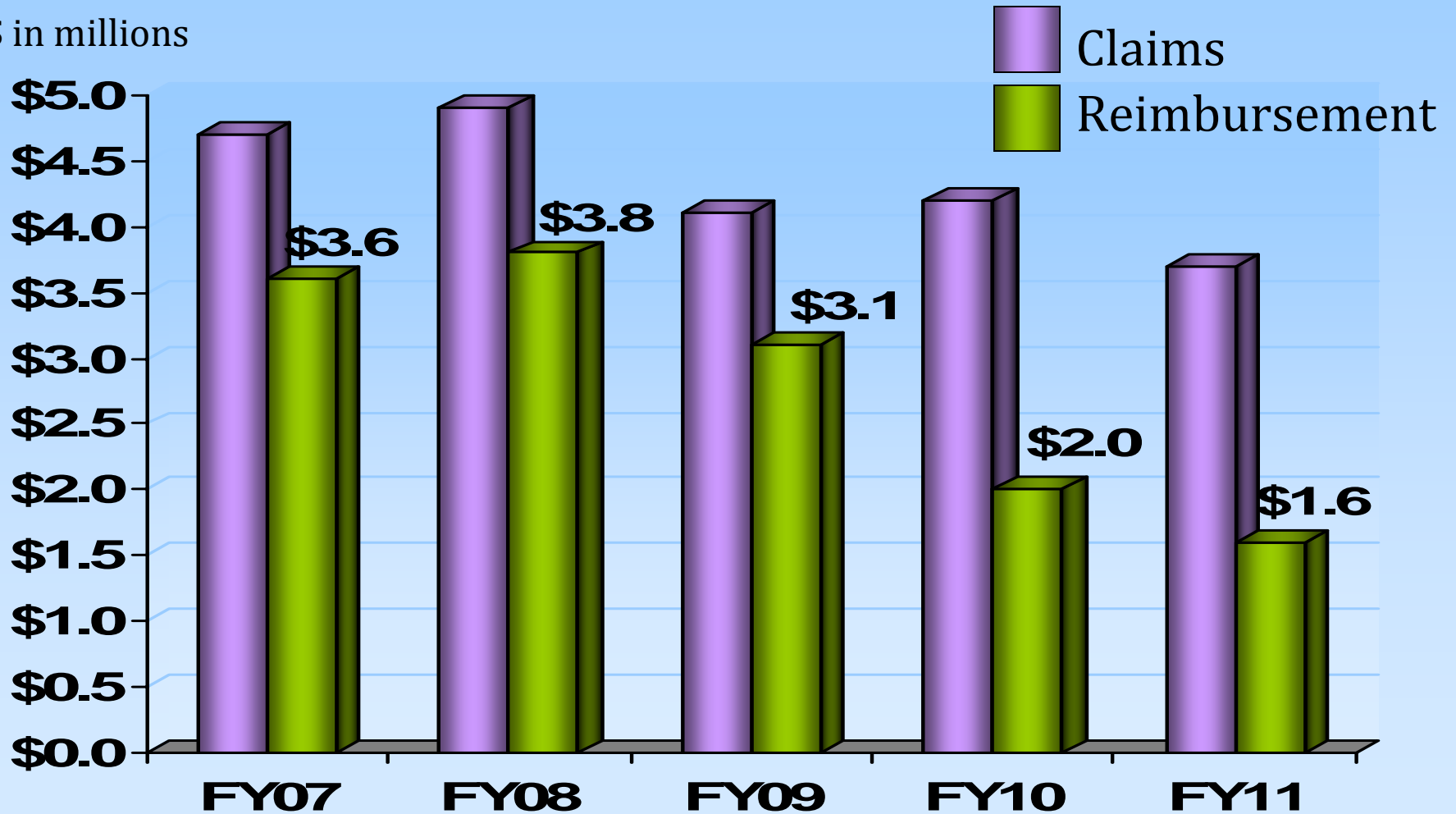
**Circuit Breaker (funded at 40%)
(\$1.6 million)**

Quality Kindergarten Grant (\$1 million)

Charter School Reimbursements (\$4.4 million)

Circuit Breaker Funding

\$ in millions

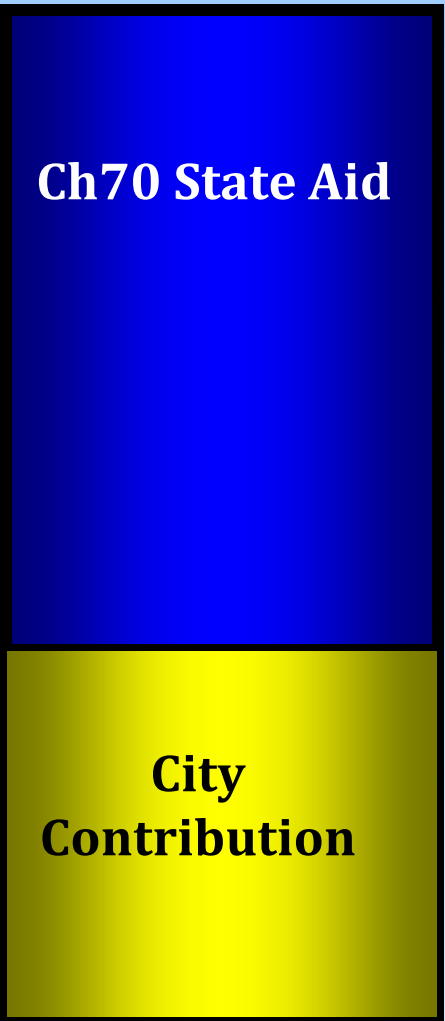


Estimated FY12 Foundation Budget

Foundation Budget Level



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



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

**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

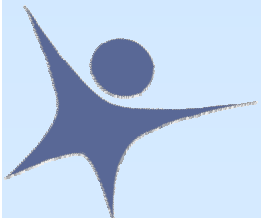


Projected Budget Status

Stimulus Cliff: \$6.7 million

Equivalent to 134 Positions

And 3.6% of WPS workforce

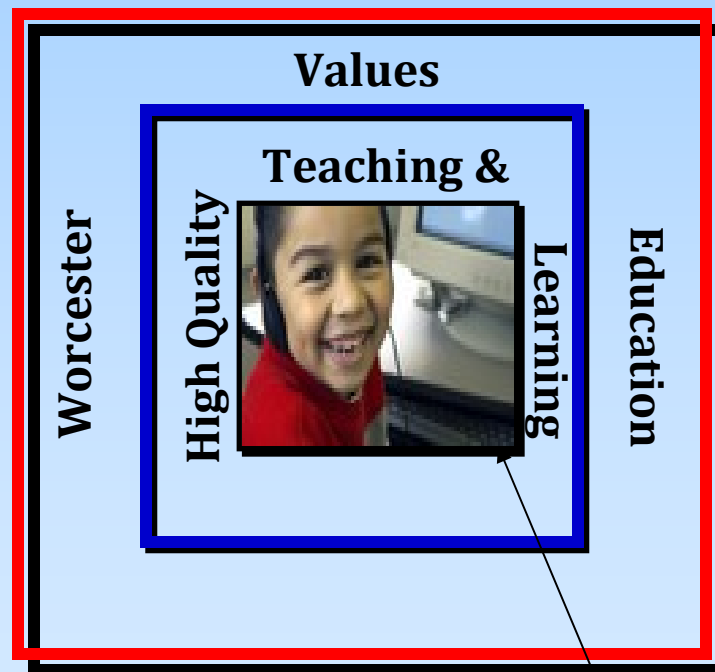


Health Insurance Savings

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

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