

Worcester Public Schools

FY14 BUDGET *Preliminary Budget Estimates*



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Superintendent

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FY14 Budget Drivers

Revenue	Expenditures
1. State Funding – Ch70	1. Contractual Increases
2. Kindergarten Grant	2. Class Size
3. Circuit Breaker Funding	3. MassCore & Common Core
4. Charter/Choice Funding	4. Technology
5. Local Contribution	5. Special Ed & ELL Services
6. Federal Grants	6. School Safety, Space, PCB's, New Programs

Revenue Issues

State Budget Funding:

- Recent 9c Cuts
- Chapter 70 Funding
- Circuit Breaker (current 70%)
- Charter School Reimbursement (funded at 83% of full funding)
- Kindergarten Grant

Governor's Budget to be released 1/23/13

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State Budget

MassBudget Information.
Participation.
Democracy.
Massachusetts Budget and Policy Center

**FY14 Budget Preview:
\$1.2 Billion Deficit**

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Full-day kindergarten funding in peril for 150 Massachusetts communities

Grants affect Worcester, Dudley-Charlton, Webster

DESE Statement:

The following variables were included in that grant and will be considered as part of the potential restructuring that would place a higher funding priority on districts with the following elements:

- Lower Composite Performance Index/Progress and Performance Index (CPI/PPI) data related to the 3rd grade MCAS assessments in English Language Arts and Mathematics;
- Higher percentage of low-income students; and
- Higher percentages of students who are English language learners.

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Governor's FY14 Education Budget Preview:

- Full Funding of Foundation Budget
- Lift Cap on Number of Pre-School Students Counted in Foundation Budget *(\$1 m)*
- Extended Day in High-Need Middle Schools
- Increases assumed cost of the average out-of-district special education placements *(\$1.5 million for each ¼% change)*
- Continues \$25 per pupil Minimum Aid
- Fully Funds Target Aid

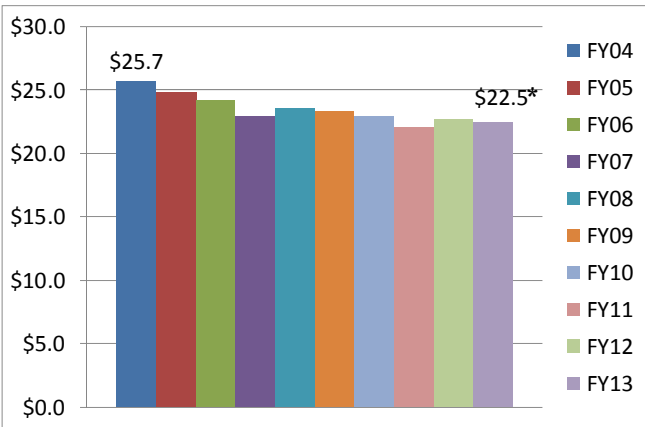
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Revenue Issues

Federal Funding:

- Impact at level funding
- Impact with budget cuts
- Impact with sequestration

Federal Grant History



* Excludes RTTT - \$2.5 million

Uses of Major Grant Funds

Title I	Title II	IDEA
35 Instructional Coaches	14 Instructional Coaches	198 Instructional Asst's
19 Pre-K Teachers and Instructional Assistants		
32 Tutors		
SES & Summer Programs		

Kindergarten Grant	Title III
33 (of 67) Kindergarten Instructional Assistants	6 ELL Instructional Coaches
	Afterschool Programs
	Staff Development

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Revenue Issues

City Contribution:

- **Net School Spending**
 - **Minimum Level**
 - **FY14 Increase (“Growth Factor”)**
 - **Transportation & Other Non-NSS Item Increases**

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FY14 Projected Revenues

Foundation Budget is based on student enrollment as of October 1, 2012.

Foundation Budget is a per pupil funding formula with differentiated rates for grade or program adjusted annually for inflation.

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WPS Enrollment

Enrollment	Change from Last Year
Pre-School	-60 (-3.8%)
Kindergarten	+36 (+1.7%)
Grades 1-6	+154 (+1.4%)
Grades 7-8	+232(+7.5%)
Grades 9-12	+47 (+0.7%)
Total Change	409 (+1.7%)
ELL	+970 (+13.8%)
Low Income	+663 (+3.5%)

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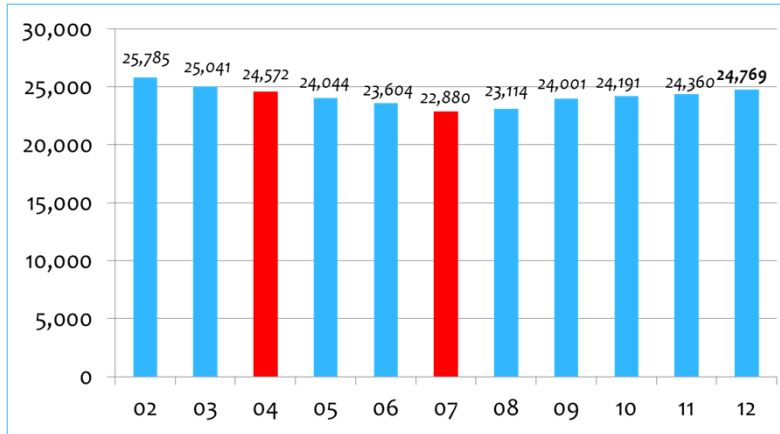
Student Enrollment as of October 1 each year

Enrollment Trends:

1 year: 1.7%

5 year: 8.3%

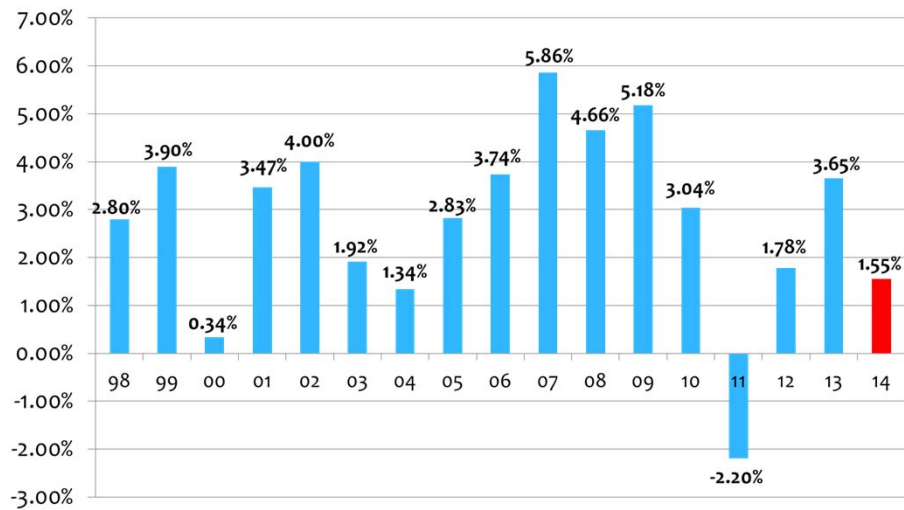
10 year: -3.9%



Inflation Index History

FY98-FY14

Price Deflator Index for State & Local Governments



FY14 Projected Revenues

Worcester's FY14 Projected Foundation Budget

\$312,451,952*

Increasing \$13.5 million from \$298.9 million
(including charter/choice students)

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* Based on existing funding formula

FY14 Projected Revenues

Foundation Budget:

+ Enrollment Increase (+409)

+ Inflation Increase (+1.55%)

= \$13.5 million increase

Less charter/choice increase: \$1.0 million

Total WPS Increase: \$12.5 million

(funded by Required City Contribution Increase & Ch70 State Aid)

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FY14 Contractual Increases

<u>Contractual Increases:</u>	<u>in millions</u>
• Employee Salaries*	\$2.5
• Health Insurance (8%)	\$3.2
• Tuition**	\$2.5
• Transportation***	\$0.5
• Retirement Assessments	\$0.8
• All Other Accounts	<u>\$0.5</u>
Inflation Cost Increases:	\$10.0 (3.5%)

*No "cost of living adjustments" included

**Includes tuition to QCC for Gateway to College Program

***Contract increase only; does not reflect increased service based on student need

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FY14 Budget Decisions

<u>Budget Area:</u>	<u>in millions</u>
• Employee Raises:	\$2.1 (for each 1%)
• OPEB Trust Fund Payment *:	\$3.0
• Special Ed. Transportation*:	\$0.5 (add 6 buses)
• Elementary Class Size:	\$1.6 (add 21)**
• Middle School Class Size:	\$1.1 (add 15)
• MassCore Transition:	\$1.1 (add 15)
• Technology Issues:	\$1.1 (lease option)

* Does not count towards "Net School Spending"

** See slides that follow

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FY14 Budget Decisions

Budget Area: **in millions**

- Special Ed. Positions \$1.7 (add 30)
- ELL Positions \$1.0 (add 16)
- Textbooks/MassCore \$0.5
- School Nurses \$0.3 (add 6)
- Student Support Positions \$0.5 (add 6)
- Summer School Funding \$0.5

Initial Needs Assessment: \$15 million*

**Plus \$2.1 million for each 1% employee cost-of-living and additional costs for items on next page*

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FY14 Budget Decisions

Budget Area: (Amounts TBD)

- School Safety & Playground Equipment
- Rental of Space (for enrollment/class size)
- Exam / I.B. School Planning Year
- PCB Next Steps (approx. \$1 million in FY13)

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FY 14 Elementary Class Size

At No Change in Elementary Staff (579) Projected Class Sizes:

Less than 23	334 (57%)
23-26	208 (36%)
27-30	31 (6%)
Greater than 30	6 (1%)

District Average Class Size: 22.1

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FY 14 Elementary Class Size

Add 21 Elementary Staff (600), Projected Class Sizes:

Less than 23	384 (64%)
23-26	216 (36%)
27-30	0
Greater than 30	0

District Average Class Size: 21.4

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FY14 Budget

What's needed for schools of choice:

Areas of Need	\$ in millions
Gifted & Talented Programs	\$2.1
Additional elective courses	\$1.9
Career/Tech courses (all HS)	\$3.1
School-Based technology	\$2.6
Updated instructional materials	\$2.1
MassCore/Revised Graduation Requirements	\$2.6
Wrap-around services	\$5.2
Librarians	\$2.3
Alternative Ed programs	\$1.0
Full-day pre-school	\$4.1
Total Needed	\$27.0

\$27 million of schools of choice is 9% above foundation budget.

State Average for above foundation spending is 22.7% for FY13

FY14 Budget

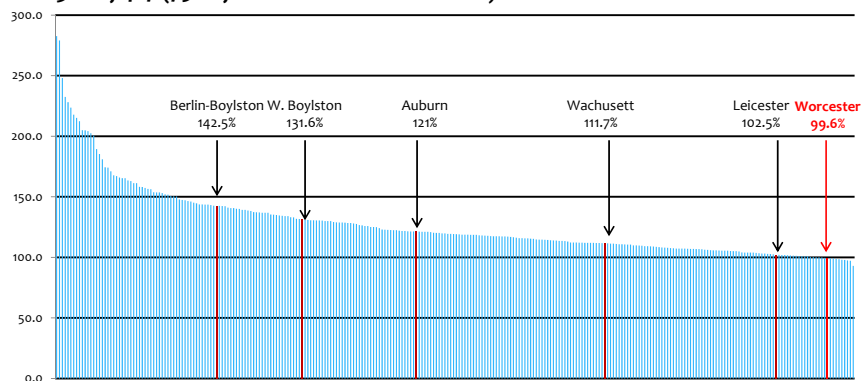
Funding Above Minimum

Area	Amount
Elementary Class Size (10)	\$700,000
School Nurses (Elementary)(6)	\$330,000
Teachers to Implement MassCore (15)	\$1,050,000
Teachers for Career/Technical Ed (7)	\$490,000
Teachers for Special Education (15)	\$1,000,000
Teachers for English Language Learners (7)	\$490,000
Technology, Equipment, Supplies for Above Programs	\$940,000
Total Funding Requested:	\$5,000,000

Program Needs Resulting in Additional Funding Request from Last Year Still Exist

Foundation Budget: Spending as % of Required

Compared to the 5 highest school districts
accepting Worcester Resident Students through School Choice
n = 320 of 427 (75% of all school choice students)



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Recent Accomplishments

- **Balanced Budgets with no loss of core educational services**
- **Maintained Elementary Class Size**
- **Added Ch74 and foreign language courses and added high school courses for MassCore implementation**
- **Added School Nurses Services**
- **Added services to Special Education and ESL**

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FY14 Budget Approach

- **Zero-based budgeting – Year 4:** All positions, programs and services under thorough annual review
- **Long term planning:** student achievement and finance
- **Status Quo is not an option:** FY14 Budget will need to reflect changes beyond revenue/expense projections.

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Budget Schedule

- **Administration is meeting with all building principals and district administrators to finalize needs assessment.**
- **Listening Sessions with Students, Parent Groups, Business Leaders, and Community Groups over next several months.**

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Budget Schedule

- **Governor's Budget (January 23)**
- **House of Representatives (April)***
- **Senate Budget (May)**

** WPS to use House Budget for submittal to School Committee*

**FY14 Budget to
School Committee: May 3rd**