

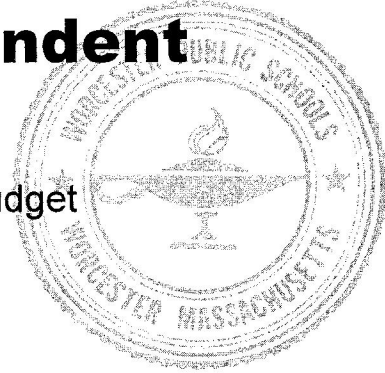


Worcester Public Schools

2014 | 2015 | 2016

Report of the Superintendent FY18 Budget

Preliminary Estimates based on Governor's Budget

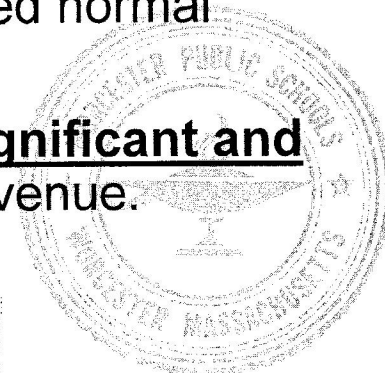


February 2017



FY18 Budget Themes:

- Enrollment Changes & Low Inflation Rate
- Certain costs continual to exceed normal inflation.
- School Resource Needs are **significant and urgent** but exceed available revenue.





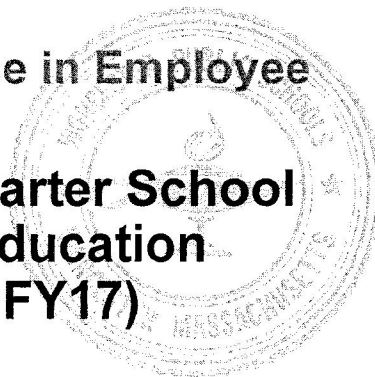
Sources of Funding:

For each dollar received



Governor's Budget Summary:

- **Foundation Budget**
 - Foundation Aid District (of 92 districts)
 - Continued Low Inflation Rate
 - \$66 million Statewide Increase in Employee Benefit Assumption
- **Continues Underfunding Charter School Reimbursement & Special Education Circuit Breaker (\$935,000 in FY17)**





Governor's Budget Summary:

Foundation Budget

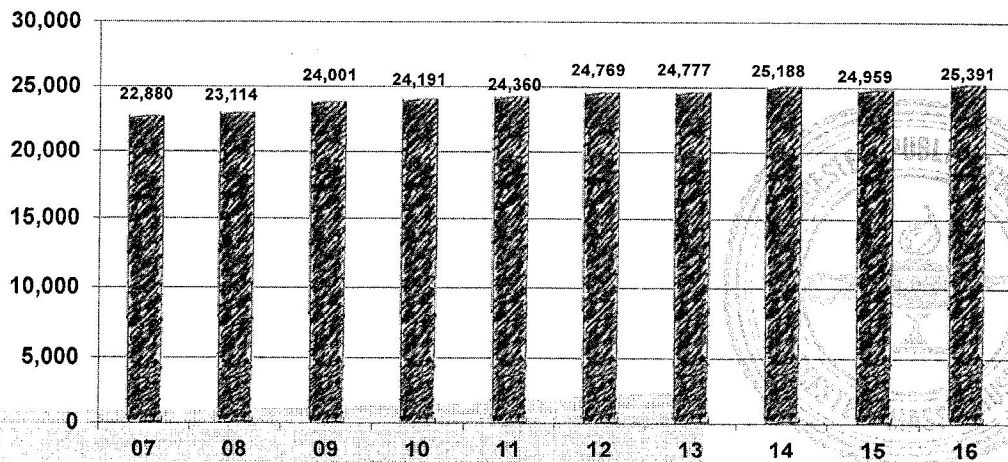
- Based on student enrollment as of October 1, 2016.
- State's per pupil funding formula with differentiated rates for grade or program adjusted annually for inflation.



WPS Enrollment:

Enrollment Trends:

1 year: 1.7%
5 year: 2.5%
9 year: 11.0%

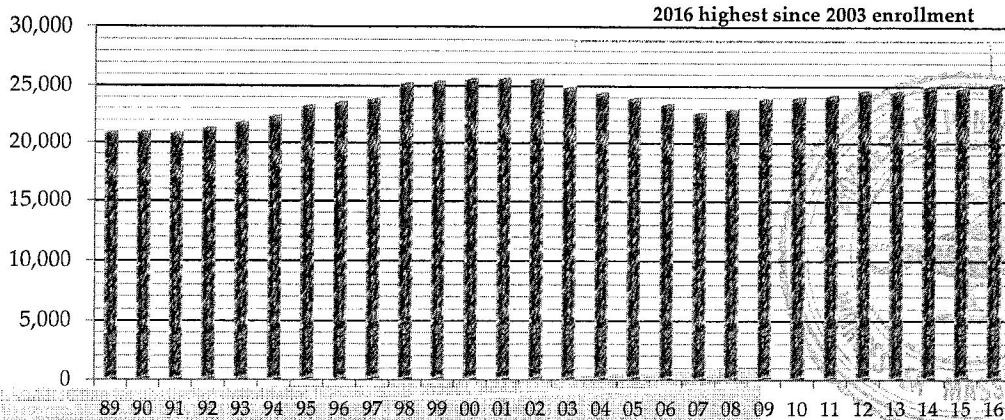




WPS Enrollment:

Enrollment Trends:

10 year (2006):	7.5%
15 year (2001):	-1.9%
20 year (1996):	7.0%
25 year (1991):	20.6%



1998 - Merger with Worcester Vocational Schools
 2004 & 2007 - Closed 4 schools each year



WPS Enrollment:

Grades	Enrollment 10/1/16	Change from Last Year
Pre-School	1,299	35
Grades K-6	13,586	105
Grades 7-8	3,363	71
Grades 9-12	<u>7,143</u>	<u>221</u>
Total	25,391	432 1.7%

Individual schools had enrollment changes from 15% to -19%



FY17 Foundation Enrollment*:

Category	Enrollment	Per Pupil Rate	Foundation Budget
Pre-Kindergarten	556	\$3,672	\$2,060,017
ELL Pre-K	744	\$4,693	\$3,510,973
Kindergarten	1,317	\$7,344	\$9,759,202
Grades 1-5	6,745	\$7,388	\$50,279,328
Grades 6-8	4,449	\$7,004	\$31,539,791
Grades 9-12	4,505	\$8,733	\$39,637,237
ELL K-12	8,218	\$9,386	\$77,482,774
Vocational (Ch 74)	1,866	\$13,317	\$24,970,853
Special Ed - In	1,035	\$25,557	\$26,498,510
Special Ed - Out	252	\$26,696	\$6,727,478
Econ. Disadv.	<u>16,619</u>	<u>\$4,181</u>	<u>\$69,482,543</u>
Total	27,381*	Avg: \$12,332	\$341,948,705

* Foundation Enrollment includes resident charter school and school choice students

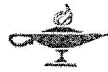


FY18 Foundation Budget

	FY17	FY18	Change	% Change
Enrollment*	27,381	27,751	370	1.35%
Foundation Budget	\$332,590,292	\$341,948,705	\$9,358,413	2.81%
Required City Contrib.	\$97,188,059	\$97,415,574	\$227,515	0.23%
Chapter 70 Aid	\$235,402,233	\$244,533,131	\$9,130,898	3.88%
Required Spending	\$332,590,292	\$341,948,705	\$9,358,413	2.81%

Note: Foundation Budget / Required Spending of \$341,948,705 includes Charter School and School Choice Tuition (\$28,186,085) and City Costs Towards Education (\$5,542,000) and Excludes Student Transportation, Crossing Guards, Adult Education and Building Rentals (\$12,546,372)

* Foundation Enrollment includes resident charter school and school choice students



FY8 Foundation Changes

	FY17	FY18	Change
English Language Learners (Overall Category Funding):			
- Enrollment	8,947	8,218	-729
- Foundation Budget	\$83,052,227	\$77,482,774	-\$5,569,453
Economically Disadvantaged:			
- Enrollment	16,076	16,619	543
- Foundation Budget	\$66,474,260	\$69,482,543	\$3,008,283
Employee Benefits			
- Foundation Budget	\$31,931,613	\$33,698,367	\$1,766,754



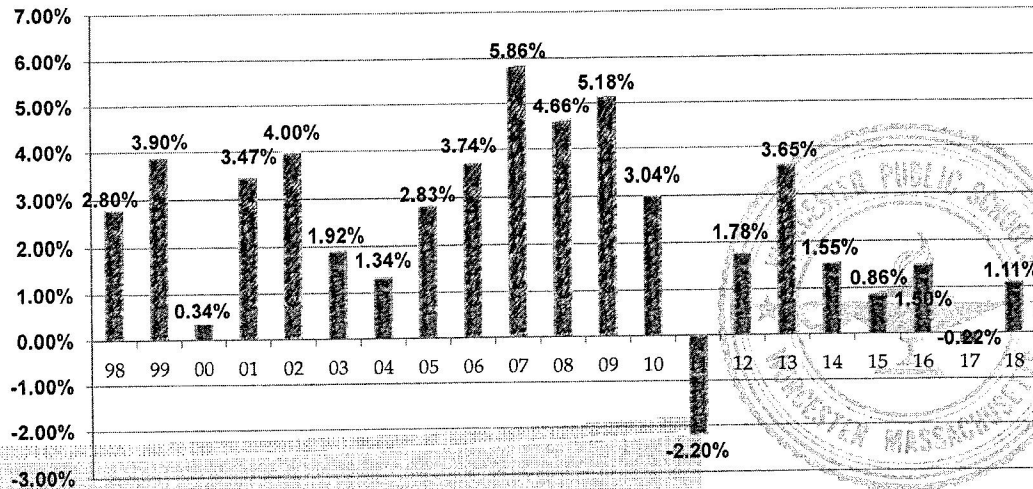
Foundation Budget Summary:

Foundation Category	Amount
Per Pupil Inflation Rate (1.11%)	\$3,691,752
Enrollment Increase (370 students)	\$3,325,408
Economically Disadvantaged Enrollment Increase	\$2,245,305
Foundation Budget Employee Benefit Change	\$1,766,074
ELL Enrollment Change (Differential Funding)	<u>-\$1,670,126</u>
TOTAL FOUNDATION BUDGET CHANGE	\$9,358,413



Foundation Budget Inflation Rate:

Price Deflator Index for State & Local Governments



FY18 General Fund Budget

Revenue Source:	FY17	FY18	Change
Ch70 State Aid	\$235,402,232	\$244,533,131	\$9,130,899
Charter Reimbursement	\$1,815,469	\$2,189,622	\$374,153
City Contrib. – NSS	\$100,698,356	\$100,925,871	\$227,515
City Contrib. - Non NSS	\$12,546,372	\$12,546,372	\$0
Less: Charter Tuition	-\$24,542,124	-\$25,089,012	\$546,888
Less: School Choice	-\$2,767,477	-\$2,848,508	\$81,031
Less: Special Educ. Offset	-\$187,025	-\$248,565	\$61,540
TOTAL BUDGET	\$322,965,803	\$332,008,911	\$9,043,108



Allocation of Funding:

For each dollar spent:



FY18 Budget Factors:

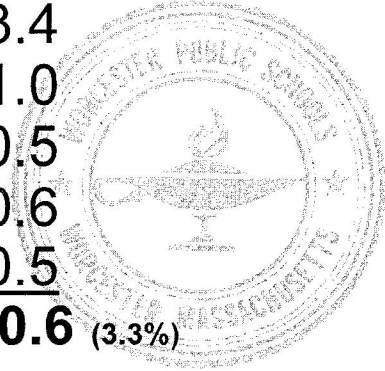
- Level Service Cost Increases
- Enrollment Shifts & Changes
- School and Student Supports
- Textbooks, Instructional Supplies & Materials, Furniture, and Technology.





FY18 Level Service Budget:

<u>Category</u>	<u>Increase</u>
Employee Salaries:	\$ 4.6
Health Insurance (at 7.5%):	\$ 3.4
Tuition Assessments:	\$ 1.0
Retirement Assessment:	\$ 0.5
Transportation:	\$ 0.6
All other areas:	\$ 0.5
Level Service Increase:	\$10.6 (3.3%)



School Resource Allocation Meetings:

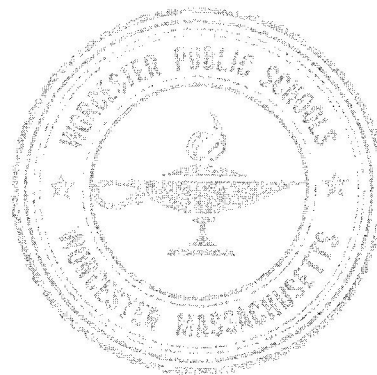
<u>Instructional Positions</u>	<u>School Support Staff</u>
<ul style="list-style-type: none"> • Elementary Class Size • Secondary Content Area Teachers • School Adjustment or Psychologists • Instructional Coaches & Lead Teachers • Guidance Counselors • Assistant Principals • Wrap Around Coordinators • Tutors 	<ul style="list-style-type: none"> • School Clerical • Kindergarten IA's • Custodians • School Nurse • Crossing Guard
	<p><u>Estimated School Needs Requests</u></p> <p>\$9.6 million</p>





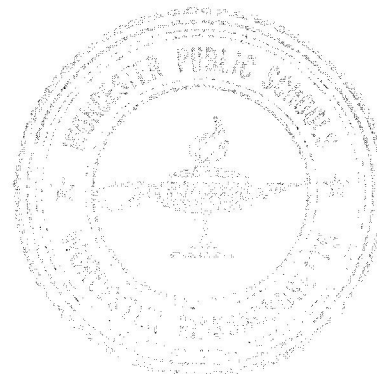
Elementary Class Size:

Class Sizes	Current Levels (586)
Less than 23	361 (62%)
23-26	176 (30%)
27-30	46 (8%)
31+	3 (0%)
Average	21.5



Elementary Class Size:

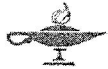
Class Sizes	Current Levels (586)	17-18 No added Staff
Less than 23	361 (62%)	331 (56%)
23-26	176 (30%)	189 (32%)
27-30	46 (8%)	56 (10%)
31+	3 (0%)	10 (2%)
Average	21.5	22.2





Elementary Class Size:

Class Sizes	Current Levels (586)	17-18 No added Staff	17-18 +37 Teachers
Less than 23	361 (62%)	331 (56%)	442 (71%)
23-26	176 (30%)	189 (32%)	181 (29%)
27-30	46 (8%)	56 (10%)	0 (0%)
31+	3 (0%)	10 (2%)	0 (0%)
Average	21.5	22.2	21.0
			\$2.7 million



School Resource Allocation Meetings:

<u>Category</u>	<u>Request</u>
Professional Learning:	\$ 0.5
Textbooks:	\$ 4.0
Instructional Materials/Tech	\$ 2.0
Student Furniture:	\$ 2.0
Building Repairs	\$ 1.0
Total School Supports:	\$ 9.5



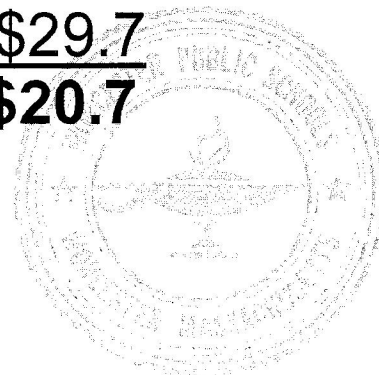
Summary of Resource Needs:

<u>Category</u>	<u>Increase</u>
Level Service	\$10.6
School Requests - Positions	\$ 9.6
School Requests - Other	\$ 9.5
Total Cost Increase:	\$29.7



Summary of Resource Needs:

Revenue Increase:	\$ 9.0
Resource Needs:	<u>\$29.7</u>
Revenue to Needs Gap:	-\$20.7





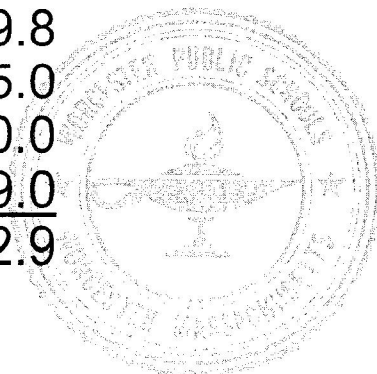
NEXT STEPS:

- District Review of School Resource Allocation Requests.
- Develop Budget Recommendations using district's **Seven Point Plan For Advancing Student Achievement and Program Sustainability**



Foundation Budget Gaps

<u>Category</u>	<u>Impact</u>
Health Insurance:	\$29.1
Special Education:	\$29.8
English Language Learners:	\$ 5.0
Low Income Students:	\$20.0
Inflation Factor Adjustment:	<u>\$ 9.0</u>
FBRC Final Report Impact:	\$92.9

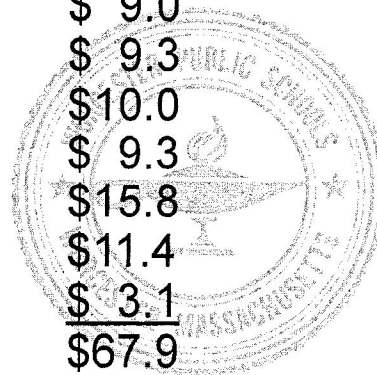




Foundation Budget Gaps

How would Worcester spend the funds:

<u>Area</u>	<u>Cost (\$millions)</u>
Elementary Teachers:	\$ 9.0
Secondary Course Offerings:	\$ 9.3
Full Day Pre-K and K-3 Supports:	\$10.0
Instructional Supplies:	\$ 9.3
Teacher Specialist & Support:	\$15.8
School Maintenance:	\$11.4
Professional Learning:	\$ 3.1
Spending to Address Foundation Gap:	\$67.9

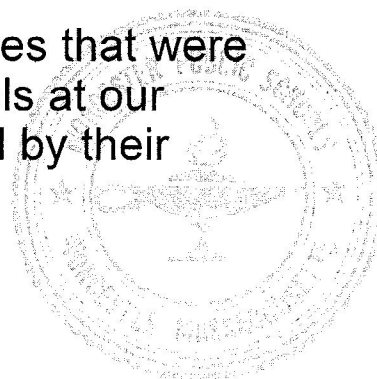


Foundation Budget Targeted Areas

How would Worcester spend the funds:

ELL and Low Income students \$25 million

Replicate successful turnaround practices that were used in each of our three Level 4 schools at our lowest performing schools as measured by their state's accountability status.





FY18 Budget Schedule:

- Continued Stakeholder Input and Budget Priorities
- House of Representatives (April 12)*
- FY18 Budget to School Committee:
May 12, 2017



* City and WPS generally use local aid funding in the House of Representative's version of the state budget for recommended budget document