

Worcester Public Schools

FY15 BUDGET

School Committee Budget Priority Session & Budget Update



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Superintendent

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Standard II, Indicator II-E, Fiscal Systems
Standard III, Indicator III-A, Engagement
Standard IV, Indicator IV-C, Communications

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FY15 Budget Themes

- Flat Enrollment
- Second Straight Year of Low Inflation Growth
- Federal Grant Reductions & Phase-Out
- Certain Cost Centers Exceeding "Normal" Inflation

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FY15 Funding

State Budget Funding:

- Chapter 70 Funding (Governor's Budget)
 - Foundation Aid (\$73.4 million)
 - Down Payment Aid (\$14.5 million)
 - Save Harmless + \$25 per Pupil
Minimum Aid (\$11.6 million)
- Circuit Breaker (currently full funding at 75%)
- Charter School Reimbursement
(funded at 62% of full funding)

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FY15 Funding

Federal Funding:

- RTTT and School Redesign Grant
Sunset
- *Level Funded Other Grants*

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FY15 Funding

City Contribution:

- Net School Spending
 - FY15 Required Increase (“Growth Factor”)
 - Amount Currently Below “Net School Spending”

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FY15 Projected Revenues

Worcester's FY15 Projected Foundation Budget

\$314,854,113*

Increasing \$3.0 million from \$311.8 million
(including charter/choice students)

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** Includes Pre-K Change to lift cap on number of students that can be counted in foundation budget.*

FY15 General Fund Budget

Budget	FY14	FY15	Change
Ch70 State Aid	\$219,897,733	\$220,569,583	\$671,850
Charter Reimbursement	\$2,674,147	\$2,286,346	-\$387,801
Req'd Local Contrib.	\$91,934,732	\$96,374,700	\$4,439,968
NSS Gap*	\$0	\$2,751,894	\$2,751,894
Other Local Contrib.*	\$11,546,372	\$12,207,260	\$660,888
Charter Tuition	-\$24,548,854	-\$24,539,972	8,882
School Choice Tuition	-\$2,323,356	-\$2,709,152	-\$385,796
Special Educ. Offset	-\$134,920	-\$164,231	-\$29,311
TOTAL BUDGET	\$299,045,854	\$306,776,428	\$7,730,574

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* WPS currently under Net School Spending by \$2.7 million. No change in city contribution above required increase amount results in WPS under net school spending by \$3.2 million in FY15

Impact of Federal Grants

Estimated at a Level Funded

Grant	FY14	FY15	Change
Title I	\$9,769,845	\$9,769,845	\$0
IDEA	\$7,218,705	\$7,218,705	\$0
Title IIA	\$1,858,092	\$1,858,092	\$0
Title III	\$1,202,742	\$1,202,742	\$0
Perkins	\$481,803	\$481,803	\$0
Total	\$20,531,187	\$20,531,187	\$0

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Federal Grants

Federal Grants Currently Provide:

- 80 Teachers
- 204 Instructional Assistants
- Afterschool & Summer Programs
- Specialized Programs and Services
- Staff Development

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Phase-Out of Federal Grants

Grant	FY14	FY15	Change
Race to the Top	\$2,688,325	\$0	-\$2,688,325
School Redesign	\$893,000	\$0	-\$893,000
McKinney-Vento*	\$60,666	\$0	-\$60,666
Total	\$3,641,991	\$0	-\$3,641,991

* Will be a competitive grant in FY15

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Federal Grants

RTTT and SRG Grants Currently Provide:

- Level 4 School Costs
- Staff Development
- College Dual Enrollment & Early College High School
- Wrap Around Zone Coordinators

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FY15 Total Funding Change

FY15 Funding Change from Current Year

General Fund (State Aid & Local Contribution)	\$7,730,574
Grant Funding	\$0
Grant Reduction (Phase-Out)	-\$3,641,991
FY15 Revenue Change from FY14:	\$4,088,583

*Assumes Funding at Required Net School
Spending Level*

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FY15 Level Service Increases

<u>Contractual Increases:</u>	<u>in millions</u>
▪ Employee Salaries	\$3.4
▪ Health Insurance (8%)	\$3.3
▪ Tuition	\$1.5
▪ Retirement Assessments	\$1.3
▪ Transportation	\$0.6
▪ Technology	\$0.9
▪ Workers Compensation	\$0.4
▪ Building Utilities	\$0.3
Total Cost Increases:	\$11.7 (3.3%)

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FY15 New Funding Requirements

<u>Budget Area:</u>	<u>in millions</u>
▪ School Staffing Needs*:	\$ 6.3
▪ Elementary Math Textbooks	\$ 2.0
▪ Secondary Textbooks	\$ 0.4
▪ Worcester Advance High School Academy <u>Planning Year</u>	\$ 0.2
▪ OPEB Trust Fund Payment **: <u>\$ 3.0</u>	
Total	\$11.9

* 117 additional positions includes 16 elementary teachers (class size), 11 secondary teachers (course selection and offerings), 14 student support positions, 5 special education teachers, 9 ELL teachers, 19 instructional assistants, 19 tutor positions, 6 school-based clerical, 2 school nurses, 6 assistant principals, 4 additional instructional coaches, 3 credit recovery computer lab staff, 2 school safety, and 1 wrap around coordinator.

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** Does not count towards "Net School Spending"

FY15 Program Improvements

Other Budget Areas Needing Funding:

▪ Elementary Assistant Principals	\$ 900,000
▪ Kindergarten IA's	\$ 750,000
▪ School Safety Equipment	\$ 500,000
▪ Playground Maintenance	\$ 500,000
▪ School Furniture	\$ 500,000
▪ Wireless Technology	<u>\$ 500,000</u>
▪ Total Additional Needs:	\$3,650,000

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FY15 Funding Increase Needed

<u>Total Funding Increase Needs</u>	<u>in millions</u>
▪ Level Service:	\$ 11.7
▪ New Funding Requirements:	\$ 11.9
▪ Program Improvements:	<u>\$ 3.7</u>
Total Funding Increase Needed:	\$27.3

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FY15 Budget Status

	<u>in millions</u>
Total Funding Needs:	\$27.3
Total Revenue Increase:	\$ 4.1
FY15 BUDGET STATUS	-\$23.2

*Assumes Funding at Required Net School
Spending Level*

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FY15 Budget Solutions

	<u>in millions</u>
Defer School Staffing Needs	\$6.3
Defer Elementary Math Textbooks	\$2.0
Defer Secondary Textbooks	\$0.4
Defer Elementary Assistant Principals	\$0.9
Defer Kindergarten IA's	\$0.8
Defer School Safety Equipment	\$0.5
Defer Playground Maintenance	\$0.5
Defer School Furniture	\$0.5
Defer Wireless Technology	<u>\$0.5</u>
Total Deferred Spending	\$12.4

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FY15 Budget Solutions

in millions

No Funding in Budget for OPEB \$3.0

No Funding in Budget for Advance
High School Academy Planning Year \$0.2

Total Budget Requests/Needs Not
Included in FY15 Budget \$3.2

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FY15 Budget Solutions

in millions

FY15 Budget Status -\$23.2

Total Deferred Spending \$ 12.4

Total Budget Requests/Needs Not
Included in FY15 Budget \$ 3.2

FY15 Budget Deficit -\$7.6

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FY15 Budget Solutions

*With Funding Levels that meet FY15 Estimated
Net School Spending Requirement*

- Restructure Special Ed. and ELL Programs.
- Restructure and Reduce District
Administrative, Support, Clerical, and
Facilities Positions
- Reduce School-Based Support and Clerical
Positions
- Reduce Staff Development Opportunities
(RTTT Funded)

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FY15 Budget Solutions

*With Funding Levels that meet FY15 Estimated
Net School Spending Requirement*

- Reduce Environmental Management System
Development, Training, and Support
- Restructure, reduce, or eliminate existing
programs and services.

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FY15 Budget Solutions

*With Funding Levels that meet FY15 Estimated
Net School Spending Requirement*

- Reduction of 11 Tutor positions
- Reduce 20 Elementary Teachers
- Reduce 6 Middle School Positions
- Reduce 14 High School Teachers

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FY 14 Elementary Class Size

Range	FY14	FY15 Projected* At Minimum Required Spending
Less than 23	318 (55%)	285 (50%)
23-26	211 (36%)	235 (41%)
27-30	54 (9%)	53 (9%)
Greater than 30	1 (0%)**	1 (0%)**
Average Class Size	22.2	22.7

** Individual Schools would see a range of +1 teacher to -3
teacher positions from the current level based on enrollments.*

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** Due to space limitations at school*

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FY15 Budget Solutions

With Funding Levels that are Below Net School Spending Requirement

- Reduce 11 Additional Elementary Teachers (31 total)
- Reduce 16 Additional Middle and High School Teachers (36 total)
- Reduce 2 School Nurses
- Reduce \$5 per pupil Instructional Supplies
- Eliminate Community School Funding and All Athletic Programs Funding.

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FY 14 Elementary Class Size

Range	FY14 Current	FY15 Projected*	
		At Minimum Required Spending	Below Minimum Required Spending
Less than 23	318 (55%)	285 (50%)	260 (46%)
23-26	211 (36%)	235 (41%)	235 (42%)
27-30	54 (9%)	53 (9%)	70 (12%)
Greater than 30	1 (0%)**	1 (0%)**	1 (0%)**
Average Class Size	22.2	22.7	23.0

* Individual Schools would see a range of +1 teacher to -3 teacher positions from the current level based on enrollments.

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** Due to space limitations at school

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FY15 Budget Approach

- Zero-based budgeting – Year 5: All positions, programs and services under thorough annual review.
- Long term planning and allocation: student achievement and finance.
- Status Quo is not an option: The FY15 Budget will need to reflect changes beyond revenue/expense projections.

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Budget Schedule

- Governor's Budget (*released* January 22)
- House of Representatives (April)*
- Senate Budget (May)

FY15 Budget to
School Committee: May 9th

* WPS to use House Budget for submittal to School Committee

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