



BEDFORD PUBLIC SCHOOLS

2011 OPERATING BUDGET REQUEST

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SUPERINTENDENT OF SCHOOLS

DECEMBER 1, 2009

FY11 BUDGET REQUEST

Bedford Public Schools

Presentation of a Maintenance
of Services Budget

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FY11 BUDGET REQUEST PRESENTATION AGENDA

1. Budget Guidelines & Development
2. Review of Enrollment History
3. Changes:
 1. Available Revenue Offsets
 2. New Service Delivery
 3. Changing Needs
4. FY11 Request & Increase Calculation Overview
5. FY11 Request Overview by Cost Center
6. Other:
 1. What's Missing?
 2. Preview of FY 2012
 3. Discussion of Unintended Consequences
 4. What's changing?
7. Questions



BUDGET GUIDELINES FOR FY11

- A. Recognize Town's Fiscal Restraints: Sixth fiscal year that the budget is built on a lean base.
- B. Limit Program Administrators' increase to 0% for FY11.
- C. Maintain Cost Center Structures:
 - 1. Core Services
 - 2. Utility Budget
 - 3. Special Education Out of District Placements
 - 4. Early Retirement Incentive
 - 5. Transportation Contract
- D. Continue the use of available offsets.



BUDGET DEVELOPMENT FOR FY11

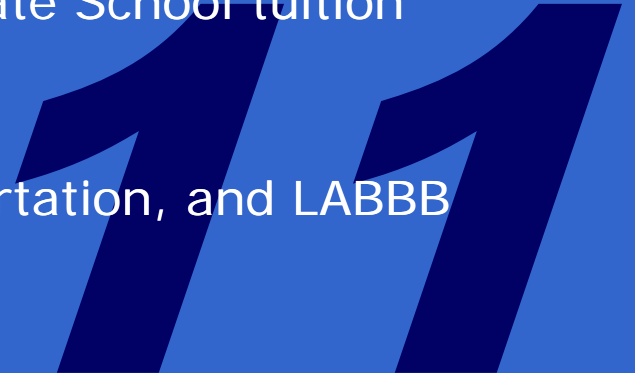
Administrative Guidelines for Budget Development:

- ✓ Recognize that *contractual, legally mandated,* and economically sensitive costs continue to drive the increase.
- ✓ Limit Programs Administrators' increase for discretionary spending to 0%:
 - * * * Exceptions include textbook purchases, and extraordinary non-discretionary cost increases.



BUDGET DEVELOPMENT FOR FY11

- ✓ Include known costs for *Out of District Special Education* Cost Center. OOD & Collaborative Tuitions continue to represent a significant increase. In Bedford that increase impacts:
 - CASE Collaborative Assessment based on student enrollment from school year ending in 2009.
 - New Out-of-District Placements.
 - Extra-Ordinary state approved Private School tuition rates.
 - LABBB Collaborative tuition rates.
 - OOD Transportation, CASE Transportation, and LABBB Transportation Services.



BUDGET DEVELOPMENT: CHANGES FOR FY11

Guiding Principle: Reorganize services, where possible, to reduce staff and to allow for addition of new staff to meet critical needs.

- ✓ Change the deployment of Teaching Assistants at Lane and Davis.
- ✓ Develop new model for Parent Conferences at the elementary schools.



A NEW SERVICE APPROACH FOR FY11

Guiding Principle: Make appropriate

Staffing Changes at Davis and Lane Schools:

- Eliminate 7 SPED Teaching Assistant Positions.
- Change the assignment methodology for the use of SPED Teaching Assistants.
- Eliminate (.8) Kindergarten Education Assistant and .8 Kindergarten Teacher
 - Add Grade One Teacher (to accommodate class of 187 students)
- Add the following Professional Positions
 - Behaviorist (Davis and Lane)
 - Instructional Coach for Math (Lane School)



A NEW SERVICE APPROACH FOR FY11

Guiding Principle System

Level: Change staff to meet ongoing, unmet needs.

- .5 Custodian (Cut in FY10 Revised Budget)
- Add .5 Technician (Technology Support)
- Add .2 ELL (English Language Learners tutor)

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CHANGES IN PERSONNEL

NET DECREASE: 3.9 Positions

FY 2010

Professional Staff

240.9

Para Professional

119.2

FY 2011

Professional Staff

243.1

Para Professional

113.1

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COST CENTER REVIEW

Core Services

In-district Regular Day, Special Education, Facilities and Transportation activities.

Utilities

Small increase anticipated in FY11 (following double digit increases for the past in FY07 and FY08.)

Special Education Out of District Placements

- Tuition and program cost increases dictated by state agencies, Collaborative Boards, and Transportation.
- Placement of students must be based on identified needs, required services and legal mandates.



COST CENTER REVIEW

Early Retirement Incentives:

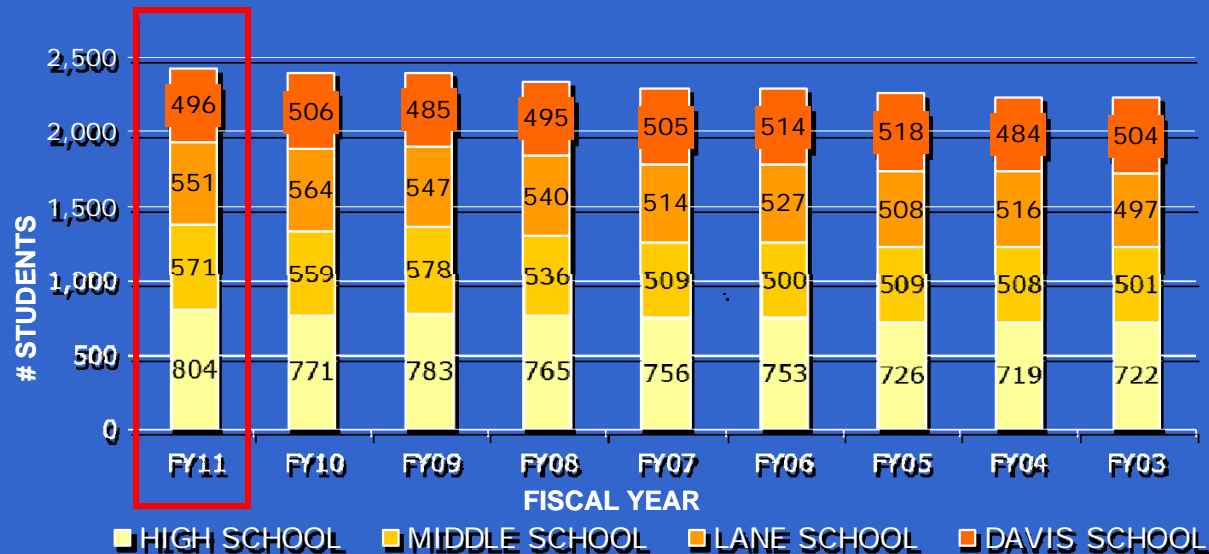
FY11 represents another slowdown in the cost of staff retirees. We anticipate this will increase in FY12 as teachers reach age and years of service benchmarks.

New Transportation Costs:

In keeping with past proposals, this budget request *does not include* any increased projections for the new FY10-FY12 In-District School Bus Transportation Contract. The FY10 budget includes the projected use of a reserve draw transfer.



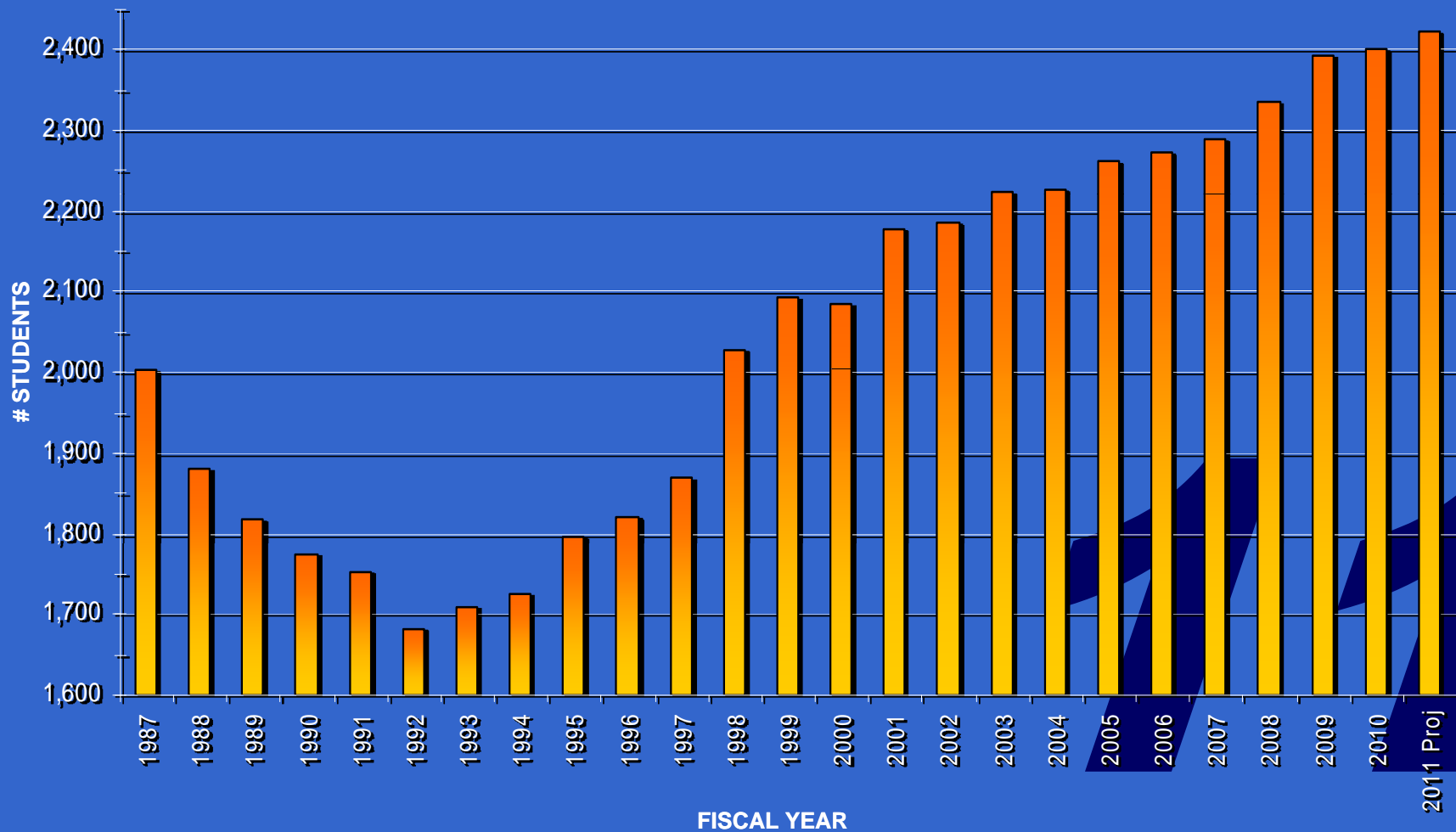
PROJECTED FY11 ENROLLMENT



Enrollment Assumptions:

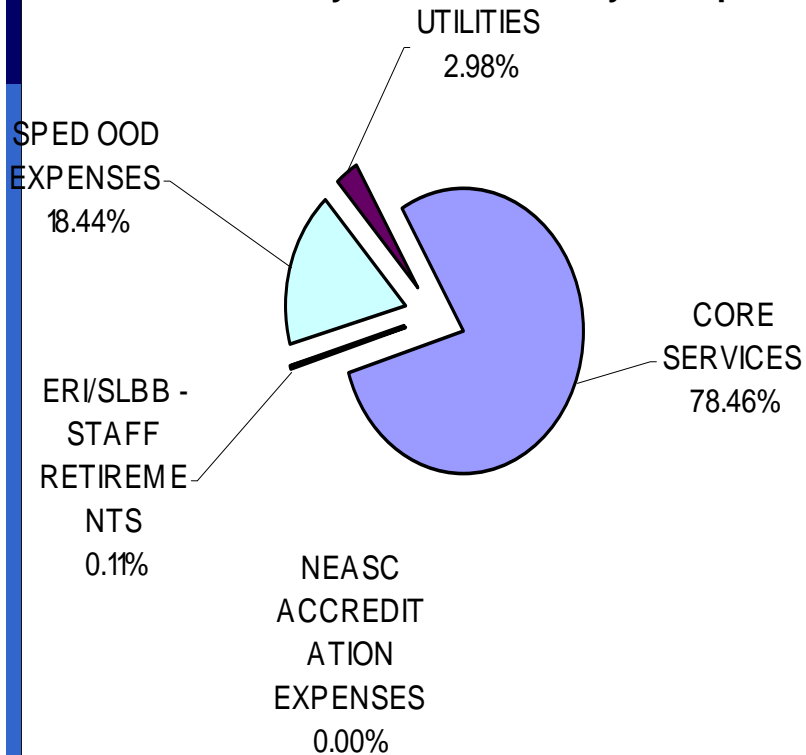
- Total Enrollment Proj 2422, 0.90% increase over FY2010
- Kindergarten Proj (137); Note: in FY **10** Actual is 187 (largest ever)
- On average 14% of the total HS student population is from Hanscom

ENROLLMENT HISTORY & FY11 PROJECTED



FY11 TOTAL REQUEST

FY2011 By Service Delivery Group



SPED OOD EXPENSES

\$6,043,788

UTILITIES

\$978,297

Grand Total

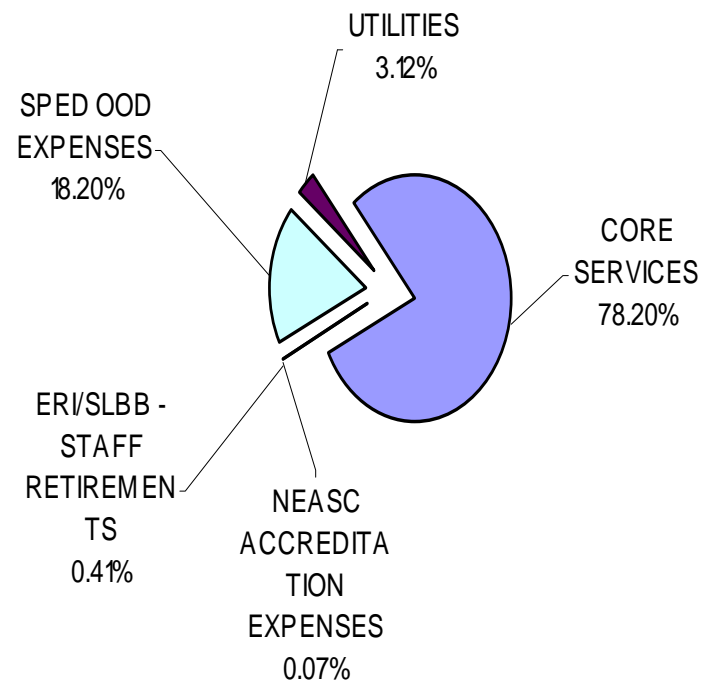
\$ 32,781,189 \$

Proposed	FY2010 STM Revised	Δ	Pct Chg from Prior
\$21,493	\$24,322,782	\$1,398,711	5.75%

\$7,611

\$0

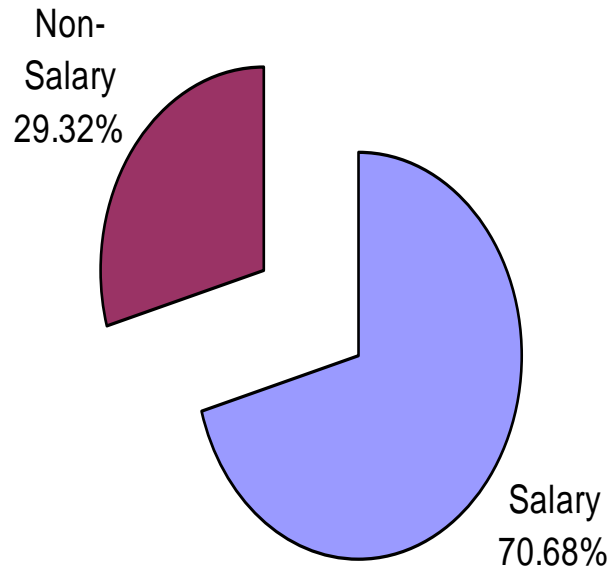
FY2010 By Service Delivery Group



NOTE: ** Core Services Includes funding projection for Staff CBA negotiation; Funds will be allocated to actual settlements.

FY11 TOTAL REQUEST

FY2011 Budget Salary vs. Non-Salary



Proposed Budget	FY2010 STM Revised	Δ	Pct Chg from Prior
68,973	\$21,901,575	\$1,267,398	5.79%

Non-Salary

\$9,612,216

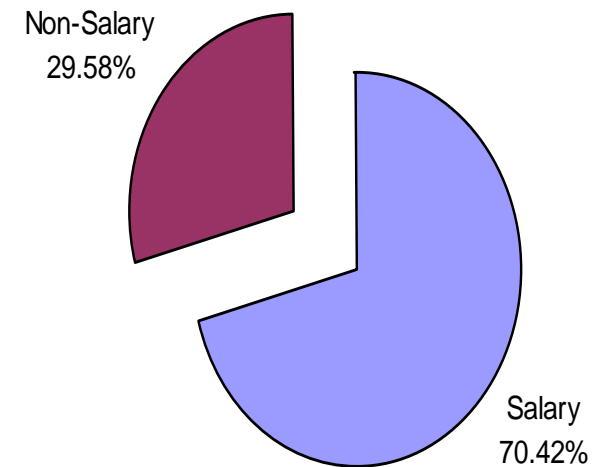
\$9,201,189

Grand Total

\$32,781,189

\$31,100,000

FY2010 Budget Salary vs. Non-Salary



FY11 Percentage Increases

COSTCENTER	FY2011 Proposed Budget	FY2010 STM Revised	Δ	Pct Chg from Prior
REGULAR EDUCATION	\$20,537,902	\$19,417,050	\$1,120,852	5.77%
SPECIAL EDUCATION	\$9,682,218	\$9,148,014	\$534,204	5.84%
FACILITIES	\$2,561,069	\$2,537,078	\$23,991	0.95%
Grand Total	\$32,781,189	\$31,102,142	\$1,679,047	5.40%

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BUDGET CHALLENGE: REVENUE LOSS

As we prepared the the FY2011 Budget, we began the process with a revenue deficit (Pothole, Circuit Breaker, Hockey Fund and Metco Grant) of:

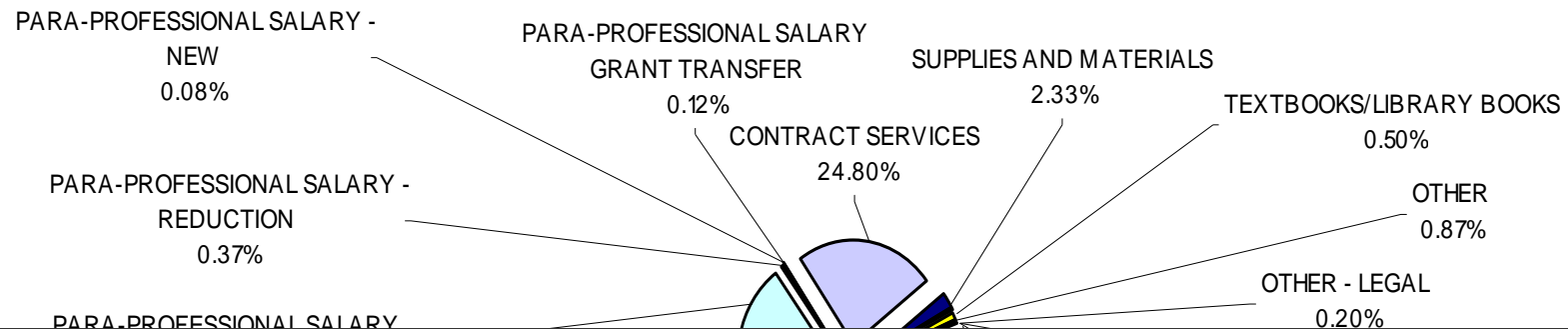
\$313,635

which we assumed as part of the FY10 to FY11 budget to budget increase. If we did not have this revenue problem, the budget to budget increase would have been **4.4%**.

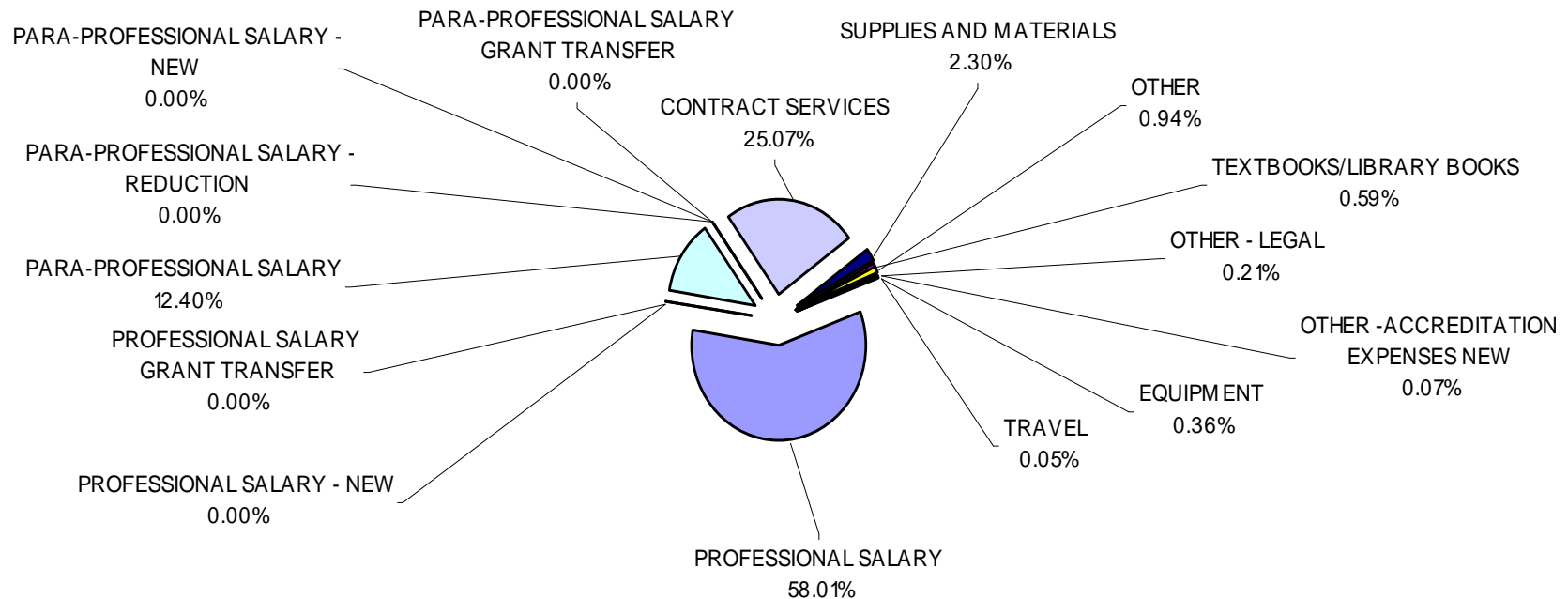


FY11 BUDGET DRIVERS SUMMARY

FY2011 Budget By Spending Category



FY2010 Budget By Spending Category



FY11 REQUEST CORE SERVICES

- **FY11:**
 - \$25,721,493
- Increase over **FY10:**
 - \$1,398,711
- % Increase over **FY10:**
 - 5.75%

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CORE SERVICES : REGULAR DAY INSTRUCTION, ADMINISTRATION, TRANSPORTATION, FACILITIES, IN-DISTRICT SPECIAL EDUCATION SERVICES

FY11 CORE SERVICES INCREASES

COSTCENTER	Roll up Activity	FY2011 Proposed	FY2010 STM Revised	Δ	Pct Chg from Prior
REGULAR EDUCATION					
	Salary	\$18,383,068	\$17,194,936	\$1,188,132	6.91%
	Non-Salary	\$2,117,223	\$2,073,998	\$43,225	2.08%
	REGULAR EDUCATION Total	\$20,500,291	\$19,268,934	\$1,231,357	6.39%
SPECIAL ED					
	Salary	\$3,393,697	\$3,252,254	\$141,443	4.35%
	Non-Salary	\$244,733	\$233,985	\$10,748	4.59%
	SPECIAL EDUCATION Total	\$3,638,430	\$3,486,239	\$152,191	4.37%
FACILITIES					
	Salary	\$1,354,597	\$1,328,169	\$26,428	1.99%
	Non-Salary	\$228,175	\$239,440	-\$11,265	-4.70%
	FACILITIES Total	\$1,582,772	\$1,567,609	\$15,163	0.97%
Grand Total		\$25,721,493	\$24,322,782	\$1,398,711	5.75%

NOTE: Includes RDT for new Transportation contract in FY10

FY11 CORE SERVICES DRIVERS

ITEM	FY2011 Proposed	FY2010 STM Revised	Δ	Pct Chg from Prior
PROFESSIONAL SALARY	\$19,051,729	\$17,917,183	\$1,134,546	6.33%
PROFESSIONAL SALARY - NEW	\$85,458	\$0	\$85,458	0.00%
PROFESSIONAL SALARY GRANT TRANSFER	\$146,758	\$0	\$146,758	0.00%
PARA-PROFESSIONAL SALARY	\$3,906,492	\$3,858,176	\$48,316	1.25%
PARA-PROFESSIONAL SALARY - REDUCTION	-\$122,689	\$0	-\$122,689	0.00%
PARA-PROFESSIONAL SALARY - NEW	\$25,000	\$0	\$25,000	0.00%
PARA-PROFESSIONAL SALARY GRANT TRANSFER	\$38,614	\$0	\$38,614	0.00%
CONTRACT SERVICES	\$1,510,481	\$1,500,980	\$9,501	0.63%
SUPPLIES AND MATERIALS	\$427,681	\$380,647	\$47,034	12.36%
TEXTBOOKS/LIBRARY BOOKS	\$164,815	\$183,646	-\$9,175	-10.42%
OTHER	\$287,441	\$290,954	-\$3,513	-1.21%
OTHER - LEGAL	\$65,000	\$65,000	\$0	0.00%
EQUIPMENT	\$118,958	\$110,766	\$8,192	7.40%
TRAVEL	\$15,755	\$15,430	\$325	2.11%
Grand Total	\$25,721,493	\$24,322,782	\$1,398,711	5.75%

FY11 SPECIAL EDUCATION REQUEST

- Cost Drivers
- Cost Containment Measures
- Program Description

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OOD Expenses include Day and Residential placement tuitions, Collaborative placement tuitions, and OOD Transportation

FY11 SPED OUT-OF DISTRICT REQUEST

- **FY11:**
 - \$6,043,788
- Increase over **FY10:**
 - \$382,013
- % Increase over **FY10:**
 - 6.75%

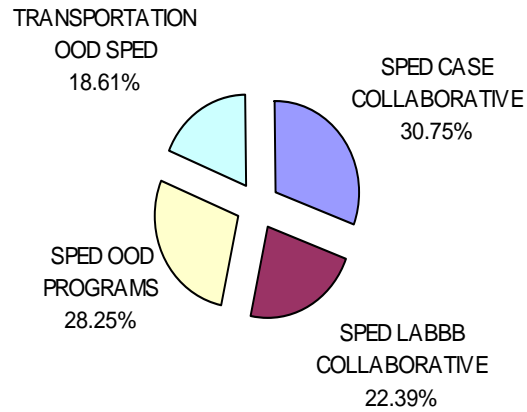
OOD Expenses include Day and Residential placement tuitions, Collaborative placement tuitions, and OOD Transportation

Assumes use of \$498K Circuit Breaker and \$202K in Federal ARRA funding

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FY11 SPED BUDGET DRIVERS

FY2011 Special Education OOD



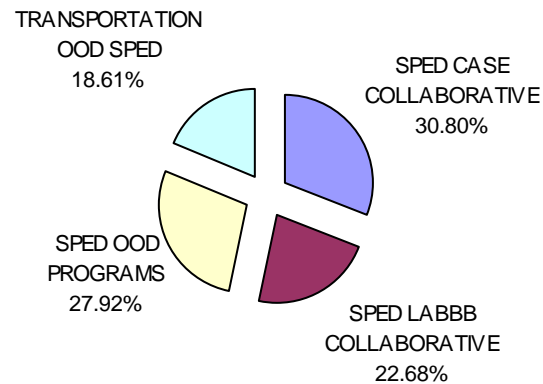
0 STM		Pct Chg from
ised	Δ	Prior
1,743,609	\$115,106	6.60%
1,283,813	\$69,254	5.39%
1,580,674	\$126,567	8.01%

TRANSPORTATION OOD SPED

Grand Total

Out of District Expenses include
tuitions, Collaborative placement

FY2010 Special Education OOD



FY11 SPED BUDGET DRIVERS

- **Special Education** represents 29.53% of the total FY11 Budget; In FY04 it represented 24.22%
- **Out of District Expenses Represent:**
 - 62.42% of Total FY11 Special Education Budget
 - 18.44% of FY11 Total Budget
 - OOD Budget has grown 72.28% since FY04; approximately \$2.4M
 - Placements have grown by 19.7% over the same time. (Note: No increase from FY10 to FY11.)

OOD Expenses include Day and residential placement tuitions, Collaborative placement tuitions, and OOD Transportation

FY11 SPED BUDGET DRIVERS

Bedford's Approach to Contain Special Education Costs:

- Increase Monitoring: Hired an Assistant Director for Sped (FY08) to ensure consistency in Team Decision Making Process.
- Create more cost effective in-district programs centered on a K-12 inclusion model:
 - Language Learning Lab at each school
 - Transitions Program (JGMS FY08)
 - Crossroads Program (JGMS FY09)
 - R.I.S.E. Program (BHS FY08)
 - Integrated Pre-School Program (FY09)



FY11 SPED BUDGET DRIVERS

In-district Programs (Continued)

- Learning Center (Davis FY10)
- Behavioral Program (Davis and Lane FY11)
- SPED Reading; Transitions (Lane FY10)
- Bridge Program (BHS FY10)



FY11 SPED BUDGET DRIVERS

Bedford's Approach to Contain Special Education Costs:

- Continue efforts to:
 - Refine IEP Process
 - Improve delivery of Regular Education Services (District Curriculum Accommodation Plan.)
- Utilize the benefits of membership in three educational collaboratives (LABBB, Case, and EDCO) to develop shared programs for more intensive learning and emotional needs.



FY11 SPED OUT-OF DISTRICT DRIVERS

Out of District Costs: The Drivers

- **Increased Tuition Rates**

- State Operational Services Division (annual increases.)
 - Base rates increased approximately 3.15% between FY07-FY09
 - FY10 State imposed a general tuition freeze in conjunction with reduction of Circuit Breaker Reimbursement Rate cut.
 - Some schools still received special tuition increases; some in excess of 9%-11%.

- **Special Education Mobility**

- New students who move to Bedford with approved IEP's.
- Internal Student movement as a result of new placements (In-district to OOD or collaborative) or movement between placements (day to residential or collaborative to OOD.)

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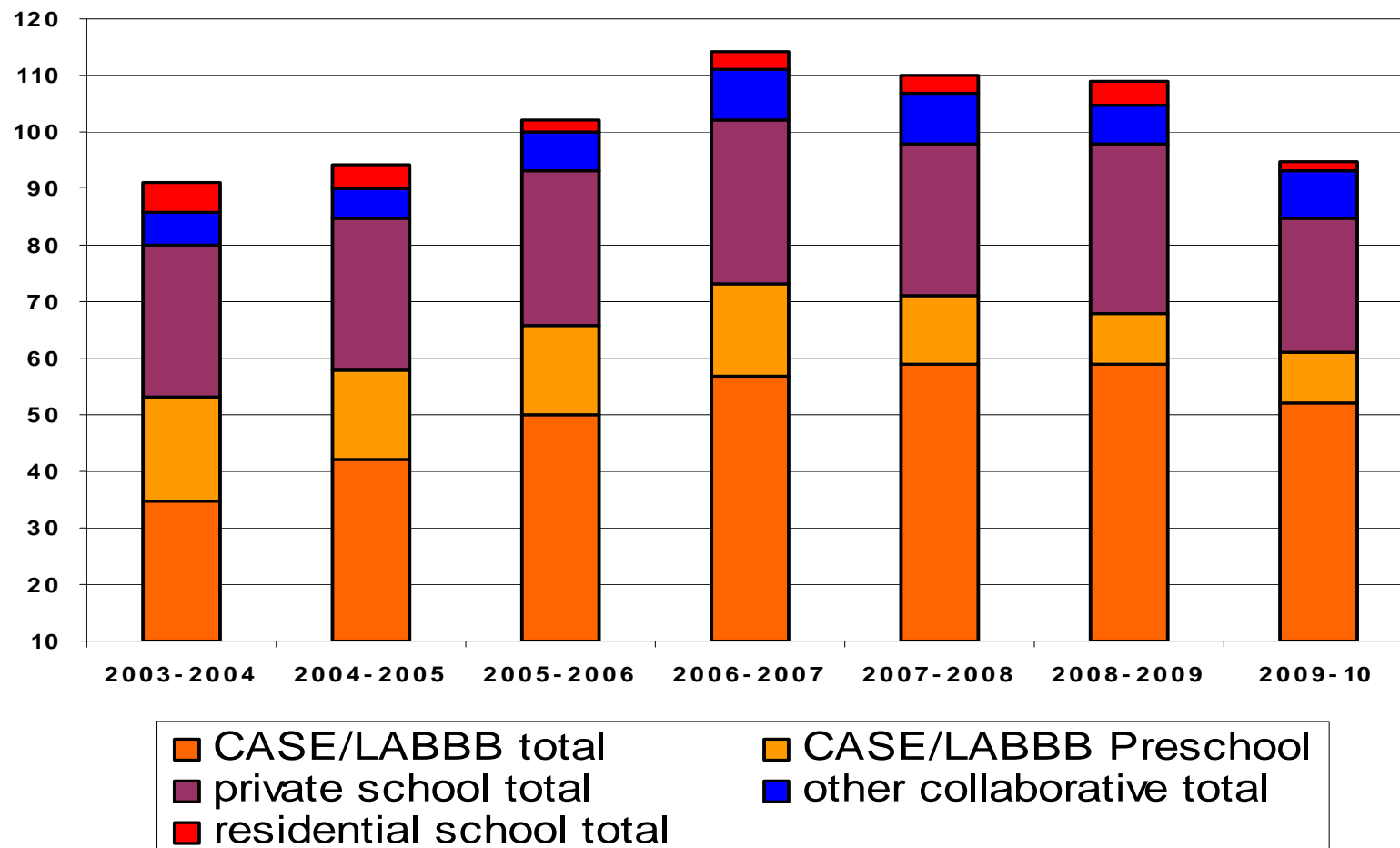
FY11 SPED OUT-OF DISTRICT DRIVERS

1. What are the alternatives for our Collaborative Placements?
 - a) Private 766 Schools
 - b) Home Grown Programs
2. What's the typical cost for a private 766 school placement?
3. Do we see any potential for new home grown programs?



FY11 SPED OUT-OF-DISTRICT PLACEMENTS

OOD PLACEMENTS BY TYPE FY04 - FY09



FY11 SPED Tuition Rates

Schools	Type	# Days	Tuition Cost
Cottage Hill	Residential	365	\$164,523
Germaine Lawrence School	Residential w/DSS	365	\$156,984
Evergreen Center	Residential	365	\$149,562
Melmark Day	Day	237	\$90,951
Nashoba Learning Group, Inc.	Day	221	\$93,414
Community Therapeutic	Day	180	\$63,385
Schools For Children	Day	180	\$52,380
SEEM COLLABORATIVE	Day	180	\$44,101

LABBB Program	Tuition Rate
BIP	\$ 48,720.00
Chenery	\$ 42,326.00
KDEV	\$ 32,481.00
Low Incident	\$ 45,118.00
Life Skills	\$ 48,730.00
Multi	\$ 32,481.00
Pre K	\$ 26,356.00
Pre K Ext Day	\$ 36,356.00
VocHS	\$ 42,326.00



CIRCUIT BREAKER

Defined: State Reimbursement designated to offset Special Education Expenses

- ❑ Current assumption is 35% reimbursement, subject to appropriation.
- ❑ Project \$498K in Circuit Breaker funds available in FY11 to offset Special Education budget.
- ❑ On average Circuit Breaker only funds **15%** of an eligible placement's cost, down from **22%** in FY09
- ❑ Average Tuition costs FY11:
 - ❑ Out of District Student \$55.34K
 - ❑ CASE Collaborative: \$53.32K
 - ❑ LABBB Collaborative: \$37.39K



FY11 TRANSPORTATION DRIVERS

- **FY11:**

- \$796,624

- **FY10*:**

- \$796,624

- FY11 Will be the second year of a new Transportation Contract; Budget proposal does not include any increase to base costs.

- FY10 budget includes reserve draw to cover costs of new 3-year bus transportation contract.

- Includes Day, Late Bus and In-district SPED Transportation

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FY11 UTILITIES DRIVERS

PROJECT	FY2011 Proposed	FY2010 STM Revised	Δ	Pct Chg from Prior
ELECTRICITY	\$628,564	\$628,116	\$448	0.07%
HEATING	\$343,124	\$335,955	\$7,169	2.13%
GAS	\$6,609	\$5,398	\$1,211	22.43%
Grand Total	\$978,297	\$969,469	\$8,828	0.91%

FY11 UTILITIES REQUEST

- Rates based on current known rates
 - Natural gas locked at \$1.453/therm through October 2010
 - #2 Fuel Oil Projected FY11 rate \$2.50/gallon
 - Electrical rates based on \$0.1825/Kwh
- Usage based on a 2 or 3 year average, where applicable
- Cost Containment Measures:
 - Switch from Heating Oil to Natural Gas at JGMS and BHS in 2009 continues in 2011, ability to use both Nat. gas and #2 fuel allows potential savings based on energy market
 - Conservation measures, and recent utility monitoring upgrades is projected to continue to offset other utility increases in FY11

Utilities: Electricity, Natural Gas and Heating accounts; note Telephone moved to main facilities accounts

FY11 OFFSETS

ACCOUNT	FY2011 Proposed Budget	FY2010 Revised
CIRCUIT BREAKER	\$ 498,025	\$ 604,000
BUILDING RENTAL	\$ 153,125	\$ 153,625
ERATE	\$ 25,000	\$ 25,000
METCO	\$ 30,000	\$ 40,000
SPED 94-142	\$ 70,270	\$ 70,270
STATE FOUNDATION RESERVE "POTHOLE"	\$ -	\$ 250,000
HOCKEY FUND	\$ -	\$ 5,000
ATHLETICS FUND	\$ 44,250	\$ 44,250
MUDGE FUND	\$ 8,000	\$ 8,000
FEDERAL ARRA "STIMULUS FUNDS"	<u>\$ 144,600</u>	<u>\$ 86,760</u>
GRAND TOTAL	\$ 973,270	\$1,286,905

BUDGET ASSUMPTION RISKS

- **Revenue Risks**

- Offset Sustainability (“Pothole” is gone & Circuit Breaker is at 35% down from 72%)
- Building Rental restrained by local economic situation.
- Artificially reduces true program costs
 - How to fund program if offset becomes unavailable?

- **Special Education Out of District Accounts**

- Limited to current population, i.e., *no new net placements.*
- No control over OSD Tuition and Extraordinary Relief increases.
- Student movement across programs remains unpredictable.

REVENUE LOSS (continued)

As we look *beyond FY2011*, we will be challenged by the loss of the **BHS Project funding** that has supported the ongoing replacement of computers. As an example:

- **FY 2011**: Computer Replacement Need: 82 Terminals
 - » 68 purchased with BHS project funding
 - » 16 purchased through this operating budget proposal.
- **FY2012 and Beyond** will require a new revenue source to meet the ongoing need.

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FY11 CORE EDUCATIONAL SERVICES

What's Missing from the Budget Proposal?

- ✓ Proposal for 5th Day for Kindergarten.
- ✓ Request for additional FTE's to meet enrollment increases at Lane, JGMS and BHS.
- ✓ Literacy Coach for Davis School.
- ✓ New Position to begin Excel Program at JGMS.
- ✓ Classroom Technology requests.
- ✓ Facilities changes to accommodate new programs at Davis, Lane and JGMS.

FY11 CORE EDUCATIONAL SERVICES

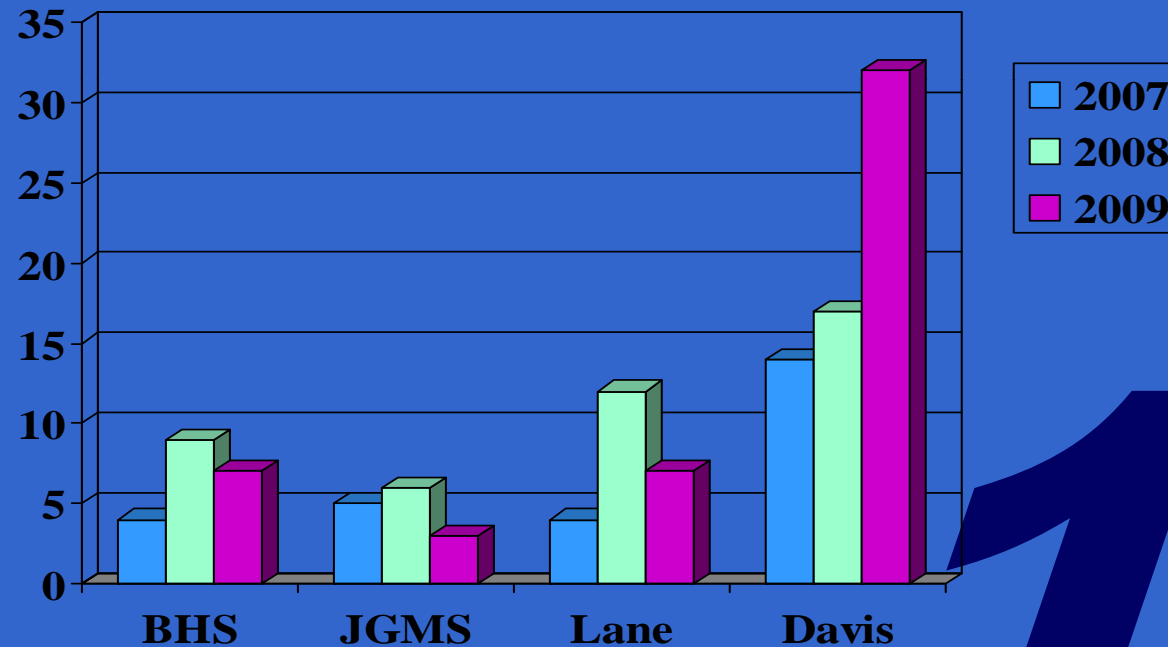
What's Missing from the Budget Proposal?

- Adequate Funding for Professional Development and Summer Study needs.
- Request for full time Technician to support use of technology.
 - DESE Guideline: 1 Technician: 200 Computers
Bedford Ratio: 3 Technicians: 1300 Computers
(Ratio: 1: 433)
- Funding for Mandarin Program
- Funding for Strategic Planning process
- Additional teacher for growing ELL population



FY11 CORE EDUCATIONAL SERVICES

How does the changing population impact needs? Note: Changes in ELL Population

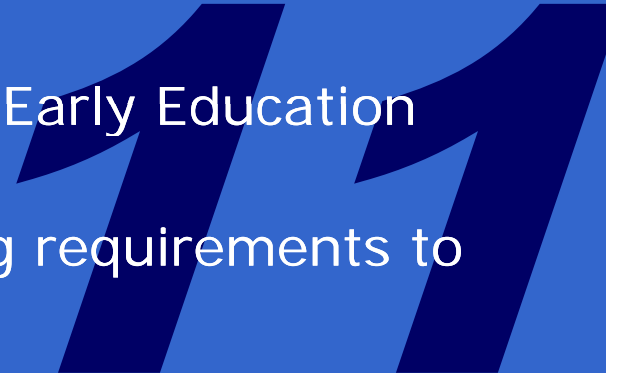


***Change in Total ELL Population from 27 students (2007) to 49 students (2009.)

FY11: Review of Unfunded Federal and State Mandates

Quick review of some of the unfunded or under funded mandates and programs:

- ☐ NCLB and MCAS Testing
- ☐ McKinney-Vento (Homeless Students)
- ☐ ELL (English Language Learners)
 - ☐ 50 hour Training Requirement
 - ☐ Document Translation
- ☐ (CPT) Crisis Prevention Training
- ☐ Restraint Training
- ☐ Pre-School Requirements from "Early Education and Care"
- ☐ SIMS and EPIMS (Data reporting requirements to DESE)



FY11: Review of Unfunded Federal and State Mandates

Quick review of some of the unfunded or under funded mandates and programs (continued):

- ☐ ISSP (Individual Student Success Plans)
- ☐ EPP (Educational Proficiency Plans)
- ☐ 504 Plans

Under-funded State Grants

- ☐ Circuit Breaker
- ☐ METCO

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FY11: RECOGNITION OF THE PROCESS

The *Maintenance of Services Budget* has been designed to articulate the funding needed to move the current program forward. The next step in the budget process for FY 2011 will include the following:

- ❑ December 8th Presentation to the School Committee reflecting the impact of a level funded budget.
- ❑ Ongoing work with the Fiscal Planning Committee to define available revenue for both the School and Town Budget needs.





BEDFORD PUBLIC SCHOOLS

Food for Thought.....

Bedford's percentage of students in non-public schools remains lower than many neighboring communities; the Bedford Public Schools are viewed as "a draw" by families with young children.

.....NESDEC Enrollment Study (November 2009)



BEDFORD PUBLIC SCHOOLS

The Challenge.....

To maintain the quality of the programs that the community expects as we move through a fiscal crisis.

BEDFORD PUBLIC SCHOOLS

2011 OPERATING BUDGET REQUEST

**DISCUSSION &
QUESTIONS**