

BEDFORD PUBLIC SCHOOLS

2013 OPERATING BUDGET REQUEST

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SUPERINTENDENT OF SCHOOLS**

November 29, 2011

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. FY13 Request & Increase Calculation Overview
5. FY13 Request Overview by Cost Center
6. Other:
 1. What's Missing?
 2. Preview of FY 2013
 3. Discussion of Unintended Consequences
 4. What's changing?
7. Questions

BUDGET DEVELOPMENT FOR FY13

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 FY13

- ❑ 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:
 1. CASE Collaborative Assessment based on student enrollment from school year ending in 2011.
 2. New Out-of-District Placements.
 3. Potential blanket and Extra-Ordinary state approved Private School tuition rates.
 4. LABBB Collaborative tuition rates.
 5. OOD Transportation, CASE Transportation, and LABBB Transportation Services.

BUDGET DEVELOPMENT: CHANGES FOR FY13

Continue the expansion of in-house
Special Education Programs by:

- Creating and supporting new programs to keep students in-district.
- Building capacity to return students to Bedford from Out-of-District and Collaborative Placements.

Note: OOD has decreased from **115** student in 2007 to **85** students today.

BUDGET DEVELOPMENT: STAFFING CHANGES FOR FY13

New Special Education Program Staffing Request:

- 1.0 FTE Transitions Class Teacher (JGMS)
- .6 FTE Occupational Therapist Specialist (.2 JGMS and .4 Lane)
- .6 FTE Teaching Assistants at BHS
- 2.0 FTE Teaching Assistants at Lane School

CHANGES IN PERSONNEL FUNDING

Lane School:

- Move Ed Jobs Grant funded portion of *Assistant Principal* salary to Operating Budget
 - Grant funds expire in FY12
 - Assistant Principal position is critical need:
 - » Provides oversight for in-house Special Education Programs.
 - » Assumes primary responsibilities for overseeing implementation of RtI and new mandates such as the Bullying Prevention legislation.

CHANGES IN PERSONNEL POSITIONS

BHS:

(.4) FTE Directed Study
Teaching Assistant

JGMS:

(.1) FTE Adjustment
Counselor

Systemwide:

Increase (.2)FTE Computer
Technician

Restore:

\$4,200 Summer Student
Tech Assistance

\$9,200 Summer Custodial

Lane and Davis Schools:

Transfer 1.0 FTE
Elementary position from
Davis to Lane Grade 3
class (projected 199
students)

Add (.5) FTE Adjustment
Counselor at Lane
(support needs of new
Sped Programs)

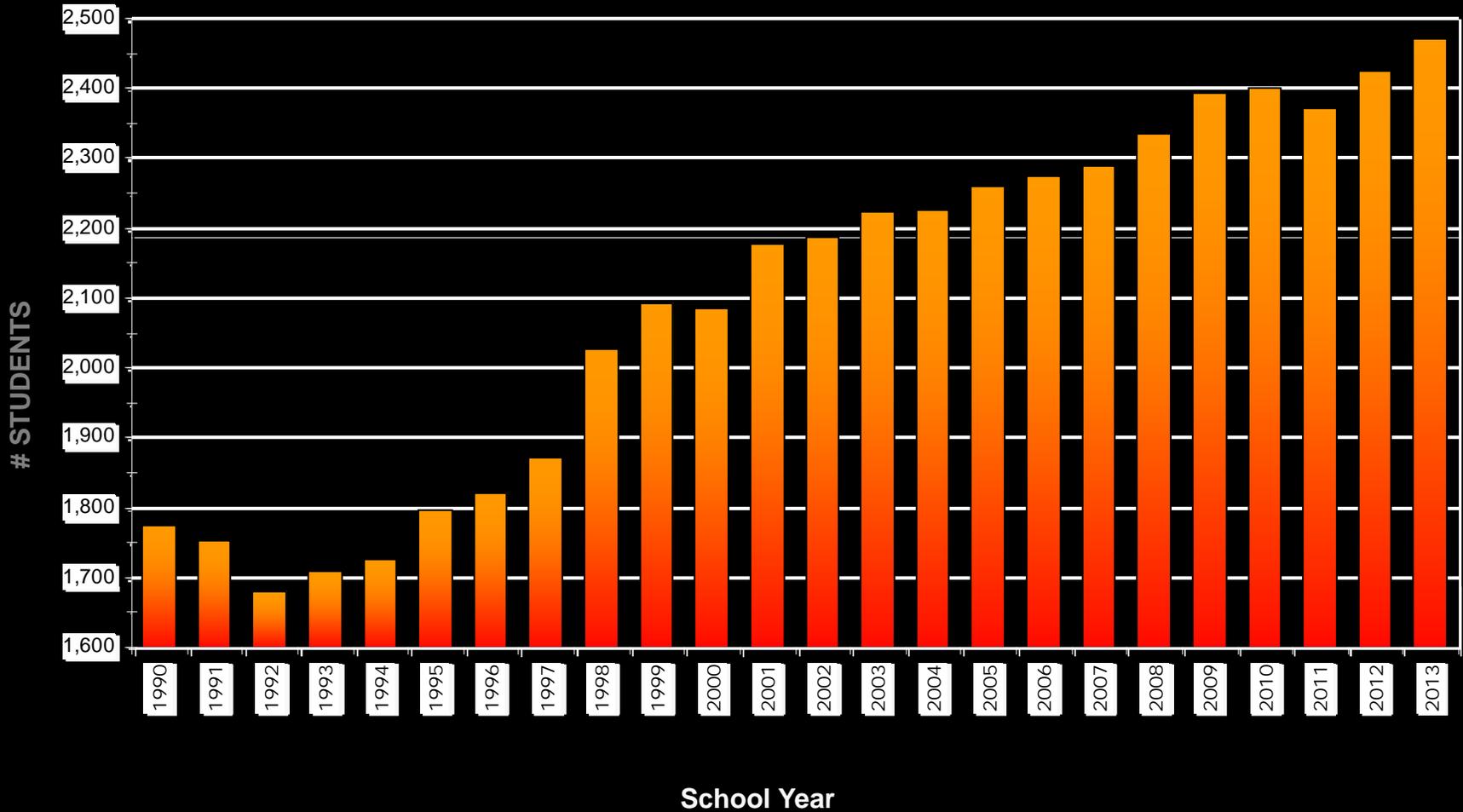
PROJECTED FY13 ENROLLMENT

Act SY 2010	Act SY 2011	Actual Oct 1 2011-2012	Proj SY 2013	Proj SY 2014	Proj SY 2015
187	150	157	183	160	147
153	196	166	170	195	172
166	142	190	167	171	193
187	170	147	199	175	178
184	183	174	148	200	176
193	181	180	177	150	202
176	190	199	185	183	155
196	183	190	204	190	186
187	195	186	195	207	193
223	196	236	221	227	238
197	218	197	225	212	219
189	185	215	189	216	205
162	183	187	208	185	211
2400	2372	2424	2471	2471	2475
0.29%	-1.17%	2.19%	1.94%	0.00%	0.16%

Enrollment Assumptions:

- Based on 5 year average cohort survival methodology
- Total Enrollment Proj 2471, 1.94% increase over FY2012
- Enrollment up over 164 students or 7.65% since FY2005

ENROLLMENT HISTORY & FY13 PROJECTED



FY13 TOTAL REQUEST

FY2013 Budget Request: *\$33,058,930*

FY2011 Approved Budget: *\$31,716,380*

Variance: *\$1,342,550*

Percent Chg: *4.23%*

FY13 TOTAL REQUEST

SERVICE DELIVERY GROUP	FY13 Base Budget Request	FY2012 Budget	\$ Chg FY13 Request to FY12 Approved	% CHG FY13 FROM FY12
CORE SERVICES	\$26,394,597	\$25,095,025	\$1,299,572	5.18%
ERI/SLBB - STAFF RETIREMENTS	\$108,406	\$257,577	-\$149,171	-57.91%
SPED OOD EXPENSES	\$5,789,129	\$5,597,445	\$191,684	3.42%
UTILITIES	\$766,798	\$766,333	\$465	0.06%
Grand Total	\$33,058,930	\$31,716,380	\$1,342,550	4.23%

COST CENTER DEFINED

Core Services

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

Early Retirement Incentives:

FY13 represents significant decrease in the cost of staff retirees over FY12; 2 current confirmed versus eight in FY12. Deadline to submit retirement paperwork is the end of December

Utilities

Level funding requested in FY13, following small reduction in FY12 (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.

FY13 Cost Center Percentage Increases

COSTCENTER	FY13 Base Budget Request	FY2012 Budget	\$ Chg FY13 Request to FY12 Approved	% CHG FY13 FROM FY12
REGULAR EDUCATION	\$21,141,105	\$20,349,062	\$792,043	3.89%
SPECIAL EDUCATION	\$9,479,914	\$8,926,790	\$553,124	6.20%
FACILITIES	\$2,437,911	\$2,440,528	-\$2,617	-0.11%
Grand Total	\$33,058,930	\$31,716,380	\$1,342,550	4.23%

FY13 Cost Drivers

Breakout	FY13 Base Budget Request	FY2012 Budget	\$ Chg FY13 Request to FY12 Approved	% CHG FY13 FROM FY12	As a % of total FY13 Increase
Salaries	\$23,545,037	\$22,694,649	\$850,388	3.75%	63.34%
Operating Expenses	\$2,009,510	\$1,735,794	\$273,716	15.77%	20.39%
SPED OOD	\$4,580,763	\$4,585,851	-\$5,089	-0.11%	-0.38%
SPED OOD TRANS	\$1,208,366	\$1,011,594	\$196,772	19.45%	14.66%
TRANSPORTATION REGULAR	\$948,456	\$922,159	\$26,297	2.85%	1.96%
Utilities	\$766,798	\$766,333	\$465	0.06%	0.03%
Grand Total	\$33,058,930	\$31,716,380	\$1,342,550	4.23%	100.00%

BUDGET CHALLENGE: REVENUE Stagnation

As we prepared the FY2013 Budget, we again began the process with a revenue deficit with the expiration of federal and state grant funds of:

Federal Ed Jobs: \$220,419

State Impact Aid Mitigation: \$50,000

**Represents a loss of 1.19% of FY12 salary
budget offset funds**

Impact of Expiring ED Jobs Grant

BHS:

- 1.0 FTE Teaching Assistant

JGMS:

- 1.0 FTE Teaching Assistant

Lane

- 3.5 FTE Teaching Assistants
- .5 FTE Assistant Principal position

Davis

- 2.0 FTE Teaching Assistant

Total impact on budget \$220,419 or 25.92% of total FY13 payroll increase

Impact of loss of State Impact Aid Funds

Department	Reduction	Pctg Loss
ENGLISH	\$ 8,000.00	-9.48%
FOR LANG	\$ 5,000.00	-8.89%
ART	\$ 2,500.00	-8.89%
ROTC	\$ 2,500.00	-8.89%
MATHEMATICS	\$ 8,000.00	-9.48%
MUSIC	\$ 2,500.00	-8.89%
P.E.	\$ 3,000.00	-5.33%
SCIENCE	\$ 8,000.00	-9.48%
SOCIAL STUDIES	\$ 8,000.00	-9.48%
GUIDANCE	\$ 2,500.00	-8.89%

**Total net impact on these line items \$50,000; 8.89% of
Offset account or 1.07% of their payroll costs**

FY13 REQUEST CORE SERVICES

CATEGORY	FY13 Base Budget Request	FY2012 Budget	\$ Chg FY13 Request to FY12 Approved	% CHG FY13 FROM FY12	As a % of total FY13 Increase
ADMINISTRATION	\$3,073,274	\$2,971,470	\$101,804	3.43%	7.58%
INSTRUCTION	\$19,923,319	\$18,754,284	\$1,169,035	6.23%	87.08%
ATHLETICS & EC	\$778,435	\$772,917	\$5,518	0.71%	0.41%
CUSTODIAL	\$1,070,102	\$1,105,095	-\$34,993	-3.17%	-2.61%
MAINTENANCE	\$601,011	\$569,100	\$31,911	5.61%	2.38%
TRANSPORTATION	\$876,456	\$852,319	\$24,137	2.83%	1.80%
TRANSPORTATION ID SPED	\$72,000	\$69,840	\$2,160	3.09%	0.16%
CORE SERVICES Total	\$26,394,597	\$25,095,025	\$1,299,572	5.18%	96.80%

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

FY13 SPECIAL EDUCATION REQUEST

PROJECT	FY13 Base Budget Request	FY2012 Budget	\$ Chg FY13 Request to FY12 Approved	% CHG FY13 FROM FY12
SPED CASE COLLABORATIVE	\$1,232,100	\$1,419,013	(\$186,914)	-13.2%
SPED LABBB COLLABORATIVE	\$1,274,106	\$1,323,049	(\$48,943)	-3.7%
SPED OOD PROGRAMS	\$2,074,557	\$1,843,789	\$230,768	12.5%
TRANSPORTATION OOD SPED	\$1,208,366	\$1,011,594	\$196,772	19.5%
Grand Total	\$5,789,129	\$5,597,445	\$191,684	3.4%

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

FY13 SPED OUT-OF DISTRICT DRIVERS

❑ Increased Tuition Rates

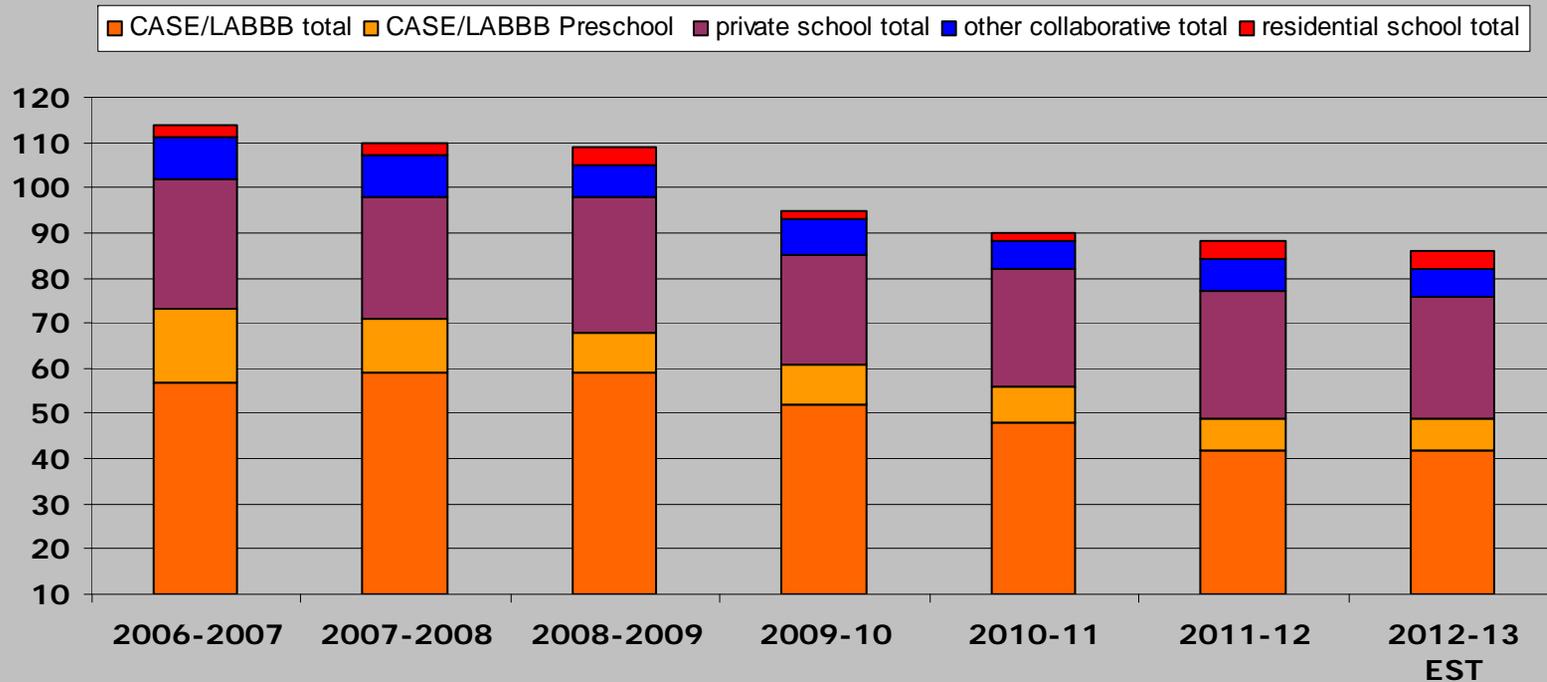
- ✓ State Operational Services Division (OSD)
(annual increases.)
 - Base rates increased approximately 1.69% for FY12 and project to increase 2.13% for FY13
 - Several schools received special tuition increases; some in excess of 9%-13%.

❑ 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.)

FY13 SPED OUT-OF-DISTRICT PLACEMENTS

OOD PLACEMENTS BY TYPE FY07 - FY13



FY13 SPED Tuition Rates

Private 766 schools	Tuition
Arlington-Academy-Day	\$ 62,692.90
Manville-Day	\$ 67,524.10
Victor School-Day	\$ 49,401.62
Evergreen Center	\$ 153,229.92
Learning Prep School-Day	\$ 32,460.12
Germaine Lawrence School	\$ 53,495.07
Dr.Franklin Perkins Res	\$ 183,375.98
NECC	\$ 94,554.47

Belmont/Butler	\$ 45,122.00
Belmont/Chenery MS	\$ 44,365.00
Burlington IDEAL	\$ 51,353.00
Low incident	\$ 57,131.30
Life Skills	\$ 51,353.00
Burlington EC Memorial	\$ 53,183.00
Pre school	\$ 44,365.00
Vocational HS	\$ 44,365.00

Special Education Cost Avoidance Summary FY 2013

\$2.9 Million

In-House Special Ed Programs

Special Education Student In-house Program versus Out of District Placement cost

Location	# of Students	# Years Program In place	FY2012 cost (direct costs)	Projected FY12 OOD Costs*	Projected FY12 Savings/Costs Avoided***
Davis School					
Integrated Pre K	6	4	\$117,663	\$266,190	\$148,527
Integrated K	7	4	\$132,922	\$298,914	\$165,992
Integrated Gr 1	3	1	\$92,638	\$153,549	\$60,911
Lane School					
Crossroads	8	5	\$174,166	\$478,560	\$304,394
Transitions**	8	3	\$120,849	\$420,624	\$299,775
Lang. Based Classes	18	2	\$174,064	\$574,560	\$400,496
JGMS					
Lang. Based Classes	14	5	\$287,817	\$446,880	\$159,063
Transitions**	11	5	\$171,448	\$578,116	\$406,668
Transitions 2**	5	1	\$92,322	\$262,780	\$170,459
Crossroads	6	4	\$99,284	\$246,474	\$147,190
BHS					
Language Based Class	11	5	\$92,785	\$351,120	\$258,335
Bridge Program**	7	3	\$84,114	\$367,892	\$283,779
Crossroads	5	1	\$88,851	\$205,395	\$116,545
Total Projected Costs and Savings			\$1,728,922	\$4,651,054	\$2,922,132

* Based on probable outside placement tuition costs

** Possible placements in CASE programs - would change future assesment costs

*** Includes both tuition and assesment projections

CIRCUIT BREAKER

Defined: State Reimbursement designated to offset Special Education Expenses

- ❑ Current assumption is 65% reimbursement, subject to appropriation.
- ❑ Project \$1.097K in **Circuit Breaker** funds available in FY13 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 FY13:
 - ❑ Out of District Student \$66.2K
 - ❑ CASE Collaborative: \$53.2K
 - ❑ LABBB Collaborative: \$46.6K

FY13 TRANSPORTATION DRIVERS

- **FY13:**

- \$948.5K

- \$26.3K

- 2.85%

- **FY12:**

- \$922.2K

- FY12 : 3rd year of 2009-2012 Transportation Contract

- FY13: First Option Year, if district chooses to invoke contract option.

*****Note:** *Includes Regular Day, Late Bus and In-district SPED*

FY13 FACILITIES

CATEGORY /Expense Area	FY13 Base Budget Request	FY2012 Budget	\$ Chg FY13 Request to FY12 Approved	% CHG FY13 FROM FY12
CUSTODIAL				
Salary	\$976,338	\$1,017,155	-\$40,817	-4.01%
Non-Salary	\$93,764	\$87,940	\$5,824	6.62%
CUSTODIAL Total	\$1,070,102	\$1,105,095	-\$34,993	-3.17%
MAINTENANCE				
Salary	\$388,090	\$373,197	\$14,893	3.99%
Non-Salary	\$212,921	\$195,903	\$17,018	8.69%
MAINTENANCE Total	\$601,011	\$569,100	\$31,911	5.61%
UTILITIES				
Non-Salary	\$766,798	\$766,333	\$465	0.06%
UTILITIES Total	\$766,798	\$766,333	\$465	0.06%
Grand Total	\$2,437,911	\$2,440,528	-\$2,617	-0.11%

FY13 UTILITIES

UTILITIES	FY13 Base Budget Request	FY2012 Budget	\$ Chg FY13 Request to FY12 Approved	% CHG FY13 FROM FY12
ELECTRICITY	\$513,031	\$536,770	-\$23,739	-4.42%
GAS	\$4,837	\$4,646	\$191	4.11%
HEATING	\$248,930	\$224,917	\$24,013	10.68%
UTILITIES Total	\$766,798	\$766,333	\$465	0.06%
Grand Total	\$766,798	\$766,333	\$465	0.06%

*****Total Utility Budget has dropped 39.9% since FY08 through closer rate monitoring and conservation measures**

FY13 UTILITIES REQUEST

❑ Rates based on current known rates

- Natural gas at \$1.2305/therm as of October 2011
- #2 Fuel Oil Projected FY13 rate \$3.00/gallon
- Electrical rates based on \$0.1564/Kwh

❑ Usage based on a 3 year average, where applicable

❑ Cost Containment Measures:

- Switch from Heating Oil to Natural Gas at JGMS and BHS in 2009 continues in 2013, ability to use both Natural 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 component increases in FY13

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

FY13 BUDGET OFFSETS

FY13 Description	FY13 Base Budget Request	FY2012 Budget	\$ Chg FY13 Request to FY12 Approved	% CHG FY13 FROM FY12
EDJOBS GRANT (EXPIRES IN FY12)	\$0	-\$220,419	\$ 220,419	-100.00%
ATHLETIC FUND	-\$44,250	-\$44,250	\$ -	0.00%
MUDGE FUND	-\$8,000	-\$8,000	\$ -	0.00%
IDEA PL 94-142	-\$367,087	-\$284,657	\$ (82,430)	28.96%
METCO	-\$30,000	-\$30,000	\$ -	0.00%
E-Rate	-\$25,000	-\$25,000	\$ -	0.00%
BUILDING RENTAL	-\$116,500	-\$116,500	\$ -	0.00%
CIRCUIT BREAKER (BASED ON 65% REIMBURSEMENT RATE)	-\$1,097,427	-\$964,849	\$ (132,578)	13.74%
STATE IMPACT AID MITIGATION	-\$512,500	-\$562,500	\$ 50,000	-8.89%
EARLY CHILDHOOD GRANT Total	-\$10,000	\$0	\$ (10,000)	
Grand Total	-\$2,210,764	-\$2,256,175	\$ 45,411	-2.01%

BUDGET ASSUMPTION RISKS

- **Revenue Risks**

- Offset Sustainability (State Impact Mitigation Aid dropped \$50K or almost 10% of prior year's award)
- Building Rental funds 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 known population
- No control over OSD Tuition and Extraordinary Relief increases.
- Student movement across programs remains unpredictable.
- No control over move-in population

REVENUE LOSS (continued)

- **FY2014 and Beyond** will require a new revenue source to meet the ongoing base core service needs.
- **Changes to Ch70 Aid Formula** State and National economic climate has slowed transition to new minimum aid formula
- **Additional Federal Aid** EdJobs funding (\$220K) expired in FY12, and prospects for additional Impact Aid are unclear; new federal funds may not be forthcoming

FY13 CORE EDUCATIONAL SERVICES

What's Missing from the Budget Proposal?

- ❑ Funding for the 5th Day of Kindergarten.
- ❑ Staffing to mitigate Class size concerns K-12
- ❑ Funding to establish a Mandarin Program
- ❑ Additional staffing to meet the needs of growing ELL population
- ❑ Expansion of Excel Program to JGMS.
- ❑ Staffing and hardware to meet changing demands of Instructional Technology.

FY13: 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 services, a growing need
- ❑ (CPT) Crisis Prevention Training
- ❑ Restraint Training
- ❑ Pre-School Requirements from "Early Education and Care"
- ❑ SIMS and EPIMS (Data reporting and data management requirements for DESE)

FY13: Review of Unfunded Federal and State Mandates

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

- ❑ 504 Plans
- ❑ Response to Intervention (Tiered Instruction)
- ❑ Implementation of Bullying Prevention Program
- ❑ Curriculum revision as a response to the Common Core
- ❑ Funding of Transportation for Homeless Students

Under-funded State Grants

- ❑ METCO
- ❑ Full Day Kindergarten

FY13: 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 2013 will include the following:

- ❑ December 6th and December 13th Further review and discussion of the Proposed FY13 Budget
- ❑ Ongoing work with the Fiscal Planning Committee to define available revenue for both the School and Town Budget needs.

BEDFORD PUBLIC SCHOOLS

The Challenge

“With the implementation of Rtl, the increased needs of our Special Education population, and an increasing English Language Learners’ population, we are stretching and straining our existing human resources.”

Dr. LaCroix, 2013 Budget Letter to Bedford School Committee

BEDFORD PUBLIC SCHOOLS

2013 OPERATING BUDGET REQUEST

DISCUSSION & QUESTIONS