

MAJOR FACTORS DRIVING THE SCHOOL BUDGET INCREASE

The \$3.5 million increase requested in FY04 can be attributed to four major factors:

- (1) **Contract Settlements with Employees**
- (2) **Preservation of Classroom Instruction**
- (3) **Fixed and Mandated Cost Increases**
- (4) **Restructuring Initiatives**

I. CONTRACT SETTLEMENTS WITH EMPLOYEES

- (A) Collective bargaining with all unions *Intentionally blank for purposes of collective bargaining*
- (B) Step and level changes
- (C) Benefit costs for employees are estimated to increase by 15%-20% in FY04.
These include the costs of health insurance, life insurance, medicare tax, and dental insurance.
- (D) Increase estimate for Turnover Savings

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| TOTAL CONTRACTUAL INCREASES |
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| \$4,785,095 |
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II. PRESERVATION OF CLASSROOM INSTRUCTION

| (A) Elementary Schools | <u>Enrollment Change</u> | <u>13 Students</u> |
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| -Preserve class size by increasing from 246 to 249 classroom (Account for use of 1.0 Reserve Position in FY03.) | 4.0 FTE | \$ 180,000 |
| -Add art and music for additional classrooms | 0.3 FTE | \$ 13,500 |
| -Assume Federal Grant Staff as in FY03. | | |
| -Add 2.0 Kindergarten teachers to replace grant | 2.0 FTE | \$ 90,000 |
| -Add Early Literacy Aides to replace grant | 21.5 FTE | \$ 343,250 |
| -Add reserve teaching positions for fluctuations in enrollment. (Account for use of reserve position in FY03.) | 1.0 FTE | \$ 45,000 |
| TOTAL ELEMENTARY CHANGE | 28.8 FTE | \$ 671,750 |
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| (B) Middle Schools | <u>Enrollment Change</u> | <u>21 Students</u> |
| -Preserve team size of 90 students | | |
| -Reduce team and cross team teaching positions according to changes in grade level enrollments. | -6.0 FTE | \$ (270,000) |
| TOTAL MIDDLE SCHOOL CHANGE | -6.0 FTE | \$ (270,000) |
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| (C) High Schools | <u>Enrollment Change</u> | <u>73 Students</u> |
| -Accommodate enrollment increase (+28) at North High School | 2.0 FTE | \$ 90,000 |
| -Accommodate enrollment increase (+45) at South High School | 3.0 FTE | \$ 135,000 |
| -Implement policy to reduce sections with <15 students. Consolidate course offerings within the high schools. | | |
| North High School | -5.0 FTE | \$ (225,000) |
| South High School | -3.0 FTE | \$ (135,000) |
| -Transfer 6.0 teachers from North High School to South High School for redistricting of grade 9 (+85). | | \$ - |
| -Add reserve teaching position for fluctuations in enrollment. | 1.0 FTE | \$ 45,000 |

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| -Staff guidance at 180:1 ratio | -1.0 FTE | \$ | (50,000) |
| -Reduce 2.0 Library Media teachers | -2.0 FTE | \$ | (100,800) |
| -Reduce expense for NEASC evaluation | | \$ | (10,000) |
| -Newton South expansion | | | |
| Add 0.5 housemaster for new house | 0.5 FTE | \$ | 30,000 |
| Add 0.5 secretary for new house | 0.5 FTE | \$ | 20,000 |
| Add 0.5 campus aide for new house | 0.5 FTE | \$ | 9,000 |
| TOTAL HIGH SCHOOL CHANGE | -3.5 FTE | \$ | (191,800) |

(D) Special Education

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| -Maintain Special Education services for additional student | 8.6 FTE | \$ | 297,000 |
| -Add Pre-K aides for new students. | 2.0 FTE | \$ | 36,000 |
| -Add Pre-K staff for new students. | 1.5 FTE | \$ | 67,500 |
| TOTAL SPECIAL EDUCATION CHANGE | 12.1 FTE | \$ | 400,500 |

(E) Instructional Materials

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| Add instructional materials for increased enrollment. | | \$ | 17,925 |
| Reduce Per Pupil Allocation by 18% | | \$ | (274,264) |
| TOTAL INSTRUCTIONAL CHANGES (K-12) | 31.4 FTE | | \$354,111 |

III. FIXED AND MANDATED COST INCREASES:

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| (A) Transportation contracts to meet rate increases | \$ 153,340 |
| (B) Unemployment costs to match FY03 actual expense | \$ 50,000 |
| (C) Utilities increases to meet rate increases and to match FY03 actual expense | \$ 317,513 |
| (D) Special Education tuition to meet rate increases and allow for new placements | \$ 408,039 |

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| TOTAL FIXED AND MANDATED COST INCREASES | \$928,892 |
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IV. RESTRUCTURING INITIATIVES

The School Committee Guidelines for FY04 recommend a review of the organization and a plan for achieving efficiencies and improvements in operations. Below are 14 proposed changes in the organization, consolidation of services, and restructured operations.

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| (A) Administrative Reorganization | | |
| Reduce positions in the Education Center | -14.4 FTE | \$ (768,668) |
| <i>Add Early Literacy Coordinator to replace grant</i> | 0.9 FTE | \$ 70,000 |
| <i>See page 15 for Reorganization Plan</i> | | |
| (B) Reduce Professional Development offerings | | \$ (120,000) |
| Fewer summer workshops | | |
| Use grant funds for MCAS support and Assessment work. | | |
| Reduce dues to collaboratives and organizations | | |
| (C) Consolidate literacy services (K-5); eliminate PIRP aides | -11.8 FTE | \$ (270,679) |
| (D) Reduce Enrichment Coordinators at high schools. | -0.9 FTE | \$ (55,000) |
| (E) Reduce Assistant Department Heads at high schools. | -0.7 FTE | \$ (66,500) |
| (F) Reduce Middle School Assistant Principals (OH, BI) | -1.5 FTE | \$ (120,000) |
| (F) Combine custodial/maintenance staff through redeployment of staff and decreased overtime. | -7.0 FTE | \$ (266,000) |
| (G) Consolidate special education services. <i>See page 16 for Reorganization Plan</i> | -33.9 FTE | \$ (1,001,119) |
| (H) Bid Food Service contract according to new specifications. | | \$ (463,750) |

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| (I) Implement a Transportation Fee for all riders outside state mandate. | | \$ (472,500) |
| -Add one secretary for fee administration | 1.0 FTE | \$ 40,000 |
| (J) Increase Triple E sports fees. | | \$ (30,000) |
| -Increase high school athletic "family cap" fee. | | \$ (12,000) |
| (K) <i>Implement parking fee at high schools</i> | | \$ (54,000) |
| (K) Reduce consultants in non-negotiation year | | \$ (8,388) |
| (L) Reduce health insurance cost due to reduced staff positions. | | \$ (306,151) |
| (M) Reduce Medicare tax due to reduced staff positions. | | \$ (20,300) |
| (N) Add unemployment cost for layoffs. | | \$ 380,240 |

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| TOTAL RESTRUCTURING SAVINGS | -68.3 | \$ (3,544,815) |
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| TOTAL BUDGET INCREASE | -36.9 FTE | \$ 2,523,283 |
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FY04 SUMMARY OF MAJOR BUDGET FACTORS

I. CONTRACT SETTLEMENTS

- Salary increase estimate for settlements
- Step increase; degree changes
- Health insurance
- Turnover Savings increase

TOTAL COST = \$ 4,785,095

II. PRESERVATION CLASSROOM INSTRUCTION

- Personnel for increased student population
- Elementary class size maintained at 25 or less
- High School staffed for increased enrollment; consolidation of electives
- Newton South expansion to new facilities
- Maintain Early Literacy program without grant funding
- Reserve teaching positions for enrollment fluctuation
- Preserve initiatives from FY03:
 - Textbooks and materials, Literacy Program
 - Maintenance and security, technology
 - Class size-elementary
 - Team size-middle schools
 - Classes below 25-high schools

TOTAL COST = \$ 354,111

III. FIXED AND MANDATED COST INCREASES

- Transportation contracts rate increases
- Unemployment costs to match FY03 level
- Utilities rate increases and to match FY03
- Special Education tuitions-rate increases and new placements

TOTAL COST = \$ 928,892

IV. RESTRUCTURING INITIATIVES

- Administrative reorganization
- Reduce professional development
- Eliminate PIRP aides as part of Literacy Initiative
- Reduce Enrichment Coordinators at High Schools
- Reduce Assistant Department Heads at High Schools
- Reduce Middle School Assistant Principals
- Reduce custodial and maintenance Staff
- Consolidate Special Education services
- Bid Food Service with new specifications
- Implement transportation fee and parking fee
- Increase Triple E sports fees
- Raise high school athletics "family cap" fee
- Benefits costs adjusted for reduction in staff

TOTAL SAVINGS = \$ (3,544,815)

TOTAL BUDGET INCREASE REQUESTED

\$ 2,523,283