

Superintendent's FY2008 Preliminary Budget

January 23, 2007

Dr. Claudia L. Bach, Superintendent
Evan T. Katz, Business Administrator

"The Mission of the Andover Public Schools, in partnership with the community, is to provide students with the knowledge, skills and qualities required to be successful in a diverse society."

For those at home:

This Budget is on our Web Page
www.aps1.net

FY2008 Preliminary Budget

\$59,039,111

- **Personal Services - \$45,790,699**
- **Expenses - \$13,248,412**

This is an increase over the FY07 Budget of \$4.0 million:

- **Salary increase of \$2.55 million**
- **Expenses increase of \$1.45 million**

This is a level service budget, plus \$861,269 for Rebuilding and Advancing.

The process

The FY08 Budget was generated at the Schoolhouse level, with considerable input from:

- **Teachers and administrators – sessions at our 10 schools**
- **School Improvement Plans**
- **School Committee/Townwide PTO Forum for parents**

In addition....

- **Principals and other budget managers met with the Business Administrator and Superintendent to review staffing and other expenses**

The process....

The budget reflects cost-cutting actions:

- **New in-district program for children with severe special needs**
- **Implementation of year two of the Energy Conservation Plan**
- **Out reach efforts to unions to explore more cost-effective insurance plans**
- **Expansion of fund-raising initiatives (Grants Coordinator)**
- **Continued implementation of fees (Preschool, Kindergarten, athletics, bus, after-school activities)**

Recent History

Four years ago we reduced and eliminated programs and services, but committed to keeping:

- **Elementary class sizes at mid-point level of policy**
- **Core Academic Programs & Courses pre-K-12**

Recent History

As a result – the good news

We have remained strong academically and our students and staff have received a number of recognitions and awards, including:

- Our MCAS scores have been among the highest in the State
- 97% of our students go on to college
- 2006 Promising Practice Award to WMS's Engineering Program
- 2005 Vanguard Model Award to AHS
- 2005 DOE's Commonwealth Compass Award to AHS
- Outperformers designation by Standard & Poors
- Gold Medal Designation by Expansion Management Magazine

Recent History

But also as a result:

- **We decreased programs in PE, health, reading, music, & guidance**
- **As the high school continued to grow, class sizes increased**

Restoration and Rebuilding

For 2005-2006	For 2006-2007 (1 st Year of 5-Year Plan)
<p>\$375,000</p> <ul style="list-style-type: none">■Elementary Health teachers■Elementary Reading Specialists■Middle School Health Teacher■Middle School Librarian■Middle School Music Teacher■Middle School Engineering Teacher■High School Track Coaches■High School Scheduler■Program Advisors Salary adjustment <p>* These positions were funded out of contingency and certification funds, as a result of the NEASC report</p>	<p>\$379,000</p> <ul style="list-style-type: none">■5th Grade PE teachers■3rd Grade Instrumental Music■Elementary adjustment counselor time■Elementary reading support■Elementary school nurse■Middle School guidance/psychologist■AHS Assistant Principal■AHS Social Studies Teacher*■AHS Social Worker■AHS Music Teacher*■AHS Chinese Language Teacher*■AHS Clubs

The Challenge

Meeting the needs of our students:

- **Bringing back the support programs**
- **Building up the academic programs**

Our constituents: the students

Bringing back the support programs to address the needs of the whole child to:

- **Promote healthy lifestyles**
- **Foster creative expression via the arts**
- **Develop responsible and informed citizens**
- **Encourage community service**

Our constituents: the students

Building up the core academic program to prepare students for the unprecedented challenges they face by fostering:

- **Advanced skills and knowledge in Science, Technology, Engineering and Math (STEM)**
- **Literacy in digital media**
- **Global thinkers**
- **Cross-cultural communicators**

Five Year Plan

FY2008 Budget contains year two of the five year plan

The Rebuilding and Advancing portion of the FY08 Budget once again focuses on:

- **Academic Program**
- **Health Needs**
- **Schoolhouse administrative support & staffing**

Academic Program

Elementary	Middle	High School
<ul style="list-style-type: none">■ PE for Grade 1■ Expanded Arts*■ Learning Specialist <p>* Providing on a rotating basis some additional classes in PE, Instrumental music and Foreign Language</p>	<ul style="list-style-type: none">■ Foreign Language (DMS)■ Social Studies (WMS)■ Technology (WH)■ Late Bus	<ul style="list-style-type: none">■ Chinese Language■ Applied Technology■ Virtual High School■ Edline & Gradequick■ Late Bus

Health

Elementary	Middle	High School
■ Custodian	■ Guidance	■ Guidance ■ Alternative Ed Program

Schoolhouse Administrative Staffing

Elementary

- Assistant Principal
(.5 at HP & .5 at South)
- Team Leaders

Fiscal Challenges on FY08 Budget

- 1. Personal Services (Cost of living, Recruitment, and Retention of Staff)**
- 2. Special Education – Out of District**
- 3. Basic Operations**

1. Personal Services - \$45,790,699

This is \$2.6 million over FY07 Budget:

- \$1.4 million – annualized COLA, track and steps
- \$700,000 for Rebuilding
- \$500,000 net impact for new and expanded positions, ADK reallocations, retirement savings, and position reductions

Amount for contract settlements is not reflected in this budget; each 1% increase is about \$450,000 for the general fund budget

2. Special Education (Out of District) - \$903,457

This is \$903,457 increase over the Out of District FY07 Budget:

Special Education Out of District	FY 07 Budget	Increase	Proposed	Total
Tuition:	3,974,306		4,717,736	
5% Tuition Rate Increase		228,373		
Rate Reconstruction (15 students at 7 schools) by Commonwealth of Mass		287,536		
Extraordinary Increase for new student		298,536		
Other placement transitions		43,806		
TOTAL Increase				858,457
SpEd Transportation	1,460,000	45,000	1,505,000	45,000
Total FY08 Out of District SPED Increases				903,457

2. Special Education – new in-district program

Wood Hill Intensive Needs Program – A good value

Notes	Estimated Out-of-District Cost	WH Intensive Needs Program	Total
Out-of-district cost for average student in WH Class (6 students @ \$53,000 ea.)	318,000		
Estimated out-of-District transportation cost (6 students @ \$19,500) approximately	<u>117,000</u>		
Total	435,000		
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Cost of 1 teacher and 3 aides (est. salary only)		107,000	
Supplies (\$20,000) + In Dist. Trans. (6 @ \$5200)		<u>51,200</u>	
Total		158,200	
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Estimated savings with in-district program			<u>276,800</u>

2. Special Education Costs – a statewide concern

- **Between FY90 and FY05 SPED costs increased by 156.2%, while regular education increased by 88.7%**
- **During the same time SPED spending increased from 17.2% of the total school budget to 20.8%, in spite of the addition of the circuit breaker**
- **During the same time regular education spending decreased from 52.3% to 46.5% of total school spending.**
- **During the same time SPED transportation costs have increased 106%**

3. Basic Operations

Four operations account for a \$319,00 increase over FY07 Budget:

Supplies	Regular Transportation	Athletic Budget	Utilities
\$90,000 10% increase	\$127,000 9% increase	\$51,000 12 % increase	\$101,000 6 % increase

Fiscal Challenges impacting both School and Town

There are two major impacts:

1. **Health Care**
2. **State Aid**

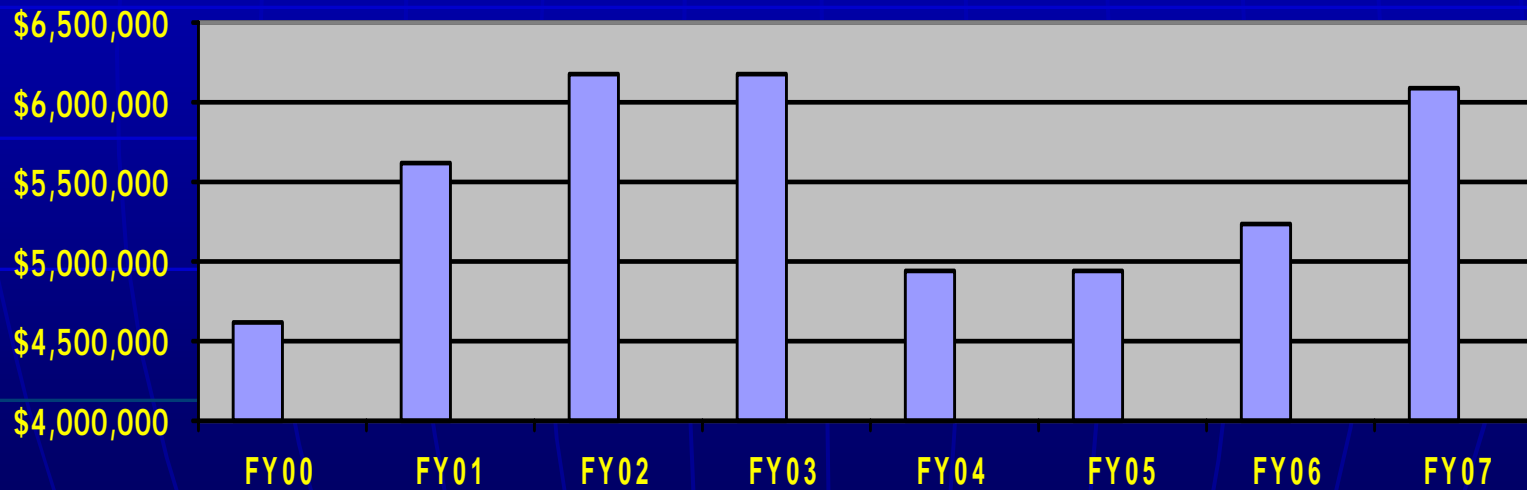
1. Health Care

- The cost of Health Insurance has increased for all Town and School employees by 150% over the last five years
- From \$3.7 million in FY02 to \$9.6 million in FY07
- This is an average of \$1.2 million per year
- Every 1% increase costs \$100,000

In the schools we have paid for this increase with dollars that would have gone to programs and services.

2. State Aid

In 2004 we had a significant reduction in state aid, dropping from \$6.2 million in FY03 to \$4.9 million. In the last two years we have seen increases, but not to the level of 2003.



Revenue supporting the General Fund Budget

1. Fees
2. Revolving Fund Programs
3. State and Federal Revenues
4. Gifts and Private Grants

1.Fees

The School Department collects \$650,000 in fees:

- **Bus Passes**
- **Participation in Athletic Program**
- **Parking at the High School**
- **After School Activities**

2. Revolving Fund Programs

The School Department operates three partially or fully funded programs:

- **All-Day Kindergarten**
- **Preschool**
- **Food Service**

These budgets total \$2.3 million.

3. State and Federal Revenue

These grants support nearly 90 positions.

From the Fiscal Year 2008 Budget Summary

State and Federal Revenue Supporting General Fund Budget

Special Education Grant	1,304,663
Title One Grant	216,991
Teacher Quality	117,074
Early Childhood - Special Education	26,269
Drug Free Schools	22,892
Program Improvement - Special Education	52,348
Education Technology	4,130
Innovative Programs	4,046
Total State/Federal Revenue	1,749,313

In addition, we receive \$1,541,080 in Circuit Breaker funding to offset SPED Out of District costs.

4. Gifts and Private Grants

Gifts and Donations total more the \$100,000

Some Highlights:

GIFTS

DONORS

1. Grants Coordinator Position	Andover Coalition for Education
2. Engineering Program (at West Middle)	Raytheon, 3M Corp, Service Club, AFE
3. Expeditionary Learning (at Wood Hill)	Private Donor, Andona, Rotary Club
4. Biotechnical Before and After School Programs	Wyeth
5. Engineering Program (to be placed at DMS)	Merrimack College, ACE

The PTOs and PACs have contributed thousands of dollars over the years for playgrounds, library furniture, supplies, etc.

On page 54 is a complete listing.

Five Year Plan for Rebuilding and Advancing The Last Three Years - FY2008-2011

Academic Program	Health and Safety	Schoolhouse Administrative Leadership
<ul style="list-style-type: none"> • <i>Foreign language instruction for elementary students</i> • <i>Engineering/technology labs at all middle schools.</i> • <i>More robust science, technology, math and engineering curriculum</i> • <i>Laptops for all students</i> • <i>More high school courses like, Broadcast News, Reel Life, and TV Production.</i> • <i>More arts offerings at all levels.</i> • <i>On-going professional development for teachers to enable them to deliver today's more advance curriculum effectively.</i> • <i>Adequate supply and equipment budgets.</i> 	<ul style="list-style-type: none"> • <i>More guidance counselors</i> • <i>Additional psychologist support</i> • <i>Restoring all custodial positions by FY08 to keep our buildings adequately cleaned.</i> 	<ul style="list-style-type: none"> • <i>Additional 4th Assistant Principal at the High School.</i> • <i>Liaison Aides at the High School</i> • <i>Fulltime or halftime Assistant Principals at all elementary schools by 2011</i>

The Next 20 Years

20 years from now....

Where will the students now in our schools work?

With whom will they work?

What kind of work will they do?

Where will they live?

What will their life look like?

The Next 20 Years...

There is much we do not know, of course, but we can assume they will view their lives in much broader global terms than we do today:

- **They will have to be cross cultural workers**
- **They will engage with people around the world every day (in the real or virtual world)**
- **They will witness global consumerism (Starbucks in the Forbidden City)**
- **They will deal with global supply chains (Parts for a computer from around the world)**

During the last five years, with a highly skilled administrative team that has worked with great energy and dedication, we have created efficiencies and have maintained core programs and services. Last year and the year before, we began to rebuild and go forward.

We must continue this process.

This is a critical time for our students and for this community. Let us work together to ensure that we provide the education our students must have to confront the daunting challenges they will face, and one that continues to ensure that Andover be a place where people want to live, to work, and to raise a family.

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