



Advisory Budget Guideline: Reissued

Presented to School Committee

Town Hall

January 4, 2011

October Advisory Guidelines

Reissued December 27

- School Department -- not to exceed 2.5% over FY11 Budget
- All other Town Departments (including Facilities Maintenance) -- not to exceed 1.5% over FY11 Budget
- Advisory's FY12 guideline for capital budgets (including that of the School Department) will be no more than 1.5% greater than the level reflected in the FY11 budget, and all boards and departments should prepare their capital budgets accordingly.

Superintendent's FY12 Budget Presentation

- Operating budget excluding STTI
 - General education
 - Moderate special ed services
- STTI budget
 - Intensive special ed services
 - In district
 - Out of district

Application of Advisory Guideline

- 2.5% of the FY11 Budget is
\$1,434,550

- However projected STTI increase is \$1,999,034
 - New therapeutic program **saved** \$135,000 in FY11
 - Expansion of therapeutic program **to save** additional \$136,000 in FY12
 - Specialized ongoing district wide programs **avoids tuition costs** of \$13 million (excludes transport)
 - Reduction of the number of students placed out of district **saved** \$1 million in FY11 tuition (excludes transport)
 - Application of FY11 and FY12 **40% circuit breaker**
 - \$1.2 million **loss** in FY12 75% circuit breaker
 - **No stimulus funds** for FY12
 - Significant **increase in placements** attributed to new families \$1.3 million
 - **Tuition increases** across the board

So Why Two Budgets

- Operating budget excluding STTI
 - General Ed (83.2% of students)
 - Moderate special ed services (12.6% of students)
- STTI budget
 - Intensive special ed services (4.2% of students)
 - In district
 - Out of district
 - Despite efforts to manage costs and identified opportunities for savings these are volatile expenses
 - Covering essential services
 - State and federally mandated

Superintendent's December Recommendation

- Work toward applying the advisory guideline to the operating budget
- Accept the STTI budget as mandated costs being managed as prudently as possible

Advisory Response

- Supports bifurcation into two budgets
- However, re-emphasizes 2.5% guideline
- Suggests allocation of 1.5% to the Operating Budget and the remainder to STTI
- Since STTI is comprised of mandated costs, reductions would come from the operating budget to meet the guideline
- Supports 100% application of circuit breaker to STTI
- Suggests 100% of education jobs grant should be applied to STTI and 0% to Operating Budget

Recommendation

- Acknowledge revised guideline of 1.5% to operating budget and clarify impact
- Prorate application of education jobs grant across the two budgets in accordance to allocation of personnel costs (72 /18%)
- Operating budget provides services for 96% of our students
- Accept remaining STTI budget as mandated costs being managed as prudently as possible