

CAMBRIDGE PUBLIC SCHOOLS

Five-Year Financial Forecast

Fiscal Years 2012 – 2016

Introduction

The Cambridge Public Schools Five Year Financial Forecast is intended to provide a long-range financial framework for supporting the educational mission and goals of the school district over a five-year planning period. Each year the forecast is updated to reflect actions taken in the previous year, new financial information and updated projections for enrollments, revenues and expenditures. The report also serves as a financial planning tool to assist in the development of the annual School Department operating budget. This report includes the following sections:

- I. Estimates for the FY 2012 Budget
- II. Enrollment Projections
- III. Estimates for FY 2012 – FY 2016
- IV. Appendix

I. Estimates for the FY 2012 General Fund Budget

Financial projections for the upcoming budget year begin with an analysis of salaries and benefits required to maintain current staffing levels in FY12 and projections for major expenditure categories such as pupil transportation, special education out-of-district tuitions, and energy costs. Expenses generally increase each year because of negotiated salary increases and inflationary increases in health insurance, energy, transportation and cost associated with the food services program. Cost decreases, such as reductions in scheduled debt service costs, occur as well. These projections, which are based on continuing the present level of services, do not include any new or expanded programs or educational initiatives.

The district's budget is funded primarily by local property taxes (83%), and state and federal aid (16%). Revenue projections are done in coordination with the City's fiscal staff. Preliminary projections included an assumption of a four percent increase in property tax support, less the projected increase in the charter schools assessment, and a five percent reduction in State aid. Based on these revenue calculations, the projected budget gap between revenues and expenditures for FY12 was approximately \$1.2 million. However, the City has agreed to increase the property tax support by \$600K. As a result, the projected FY12 budget shortfall for the district is \$609K, which is the difference between projected revenues of \$141.1 million and projected expenditures of \$141.7million.

	<u>Revenues</u>	<u>Expenditures</u>	<u>Difference</u>
FY 2011 Adopted Budget	\$137.5 M	\$137.5 M	\$ 0
FY 2012 Estimated Increase	<u>\$ 3.6 M</u>	<u>\$ 4.2 M</u>	<u>(\$,609K)</u>
FY 2012 Projected Budget	\$141.1 M	\$141.7 M	(\$ 609K)

**Summary of FY 2012 Revenue and Expenditure Increases
(In Millions)**

Current year FY 2011 Adopted Budget: **\$ 137.5**

<u>REVENUES</u>		
Property tax	\$ 4.6	
State Education Aid (Chapter 70)	(\$ 0.4)	
Debt Stabilization	(\$.6)	
Total Estimated Revenue Increase:	\$ 3.6	2.6%
Total Estimated FY12 Revenues:	\$ 141.1	
<u>EXPENDITURES</u>		
Salaries	\$ 1.3	
Benefits	\$ 2.1	
Pension	\$.3	
Special Education Tuition	\$ 1.1	
Transportation	\$ 0.1	
Utilities and Fuel	(\$ 0.2)	
Debt Service	(\$ 0.6)	
Total Estimated Expenditure Increase:	\$ 4.2	3.1%
Total Estimated FY 2012 Expenditures:	\$ 141.7	

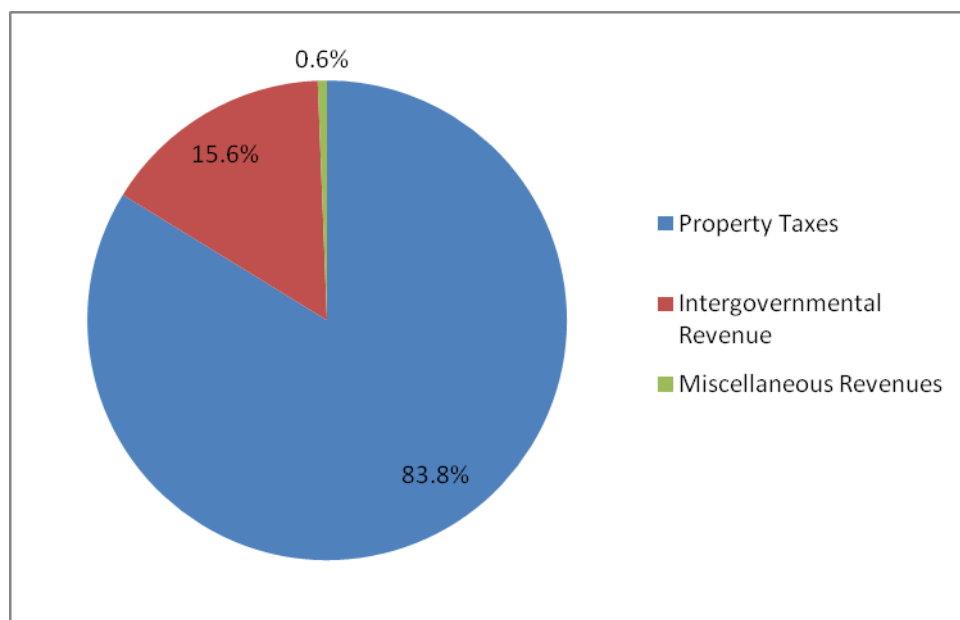
Revenues

The financing plan for the Cambridge Public Schools' budget is developed in conjunction with City Fiscal staff. The three primary revenue sources are taxes, state and federal revenue and miscellaneous revenues. Total revenues for FY 12 are projected to equal \$141.1 million.

Revenue Sources
In Millions

	FY 11 Budget	FY 12 Projected
Property & Local Taxes	\$113.6	\$118.2
Intergovernmental Revenue	\$ 22.5	\$22.0
Miscellaneous Revenues	<u>\$ 1.4</u>	<u>\$.9</u>
Total	\$137.5	\$141.1

FY 2012 Projected Revenues



Property & Other Local Taxes: \$118.2 Million

This category of revenue includes local real estate (property) taxes, the hotel/motel excise tax and parking fines. Property taxes (\$116.2M) alone support approximately 83 percent of the School budget. A formula established by the City provides for an annual increase of 4% in the property tax support, less any increase in the charter school assessment. However, preliminary FY12 budget estimates using a 4% tax increase resulted in a projected \$1.2 million budget shortfall. As a result, the City Manager has approved an additional \$600K property tax increase for the FY12. In FY11, the property tax allocation was increased by 5.4% by the City in recognition of the fact that the State reduced the district's Circuit Breaker reimbursement by approximately \$1 million. For years FY 2013 through FY 2016, the annual property tax increase is estimated at 4%.

Intergovernmental Revenue: \$22.0 Million

Intergovernmental Revenues, including State Education Aid (Chapter 70 Aid), General State Aid, and Federal Medicaid Reimbursement, comprise 16% of the district's revenue. This revenue source is projected to decrease by \$439K as a result of anticipated reductions in State aid. Preliminary information indicates that the State is contemplating a reduction in aid to cities and towns of five to ten percent. In FY 09, FY 10 and FY 11, the State's reductions to Chapter 70 were been offset by federal funds, including the American Recovery and Reinvestment Act (ARRA) and the Education Jobs Grant. However, this funding will not be available in FY12; therefore, the district is projecting a five percent decrease in Chapter 70, which totals \$439K. The City also allocates a portion of the City of Cambridge's general state aid (\$12.9 million in FY12) to the school budget each year. While those revenues are also uncertain, they are projected to remain level.

Revenues from the Federal Medicaid Reimbursement program are projected at \$900K. Medicaid reimbursement for school-based special education related health services, such as physical and speech

therapy, was authorized by Congress in 1989. Recent rule changes enable the district to bill for social and psychological services that previously were not reimbursed by the program.

Miscellaneous Revenue: \$882K

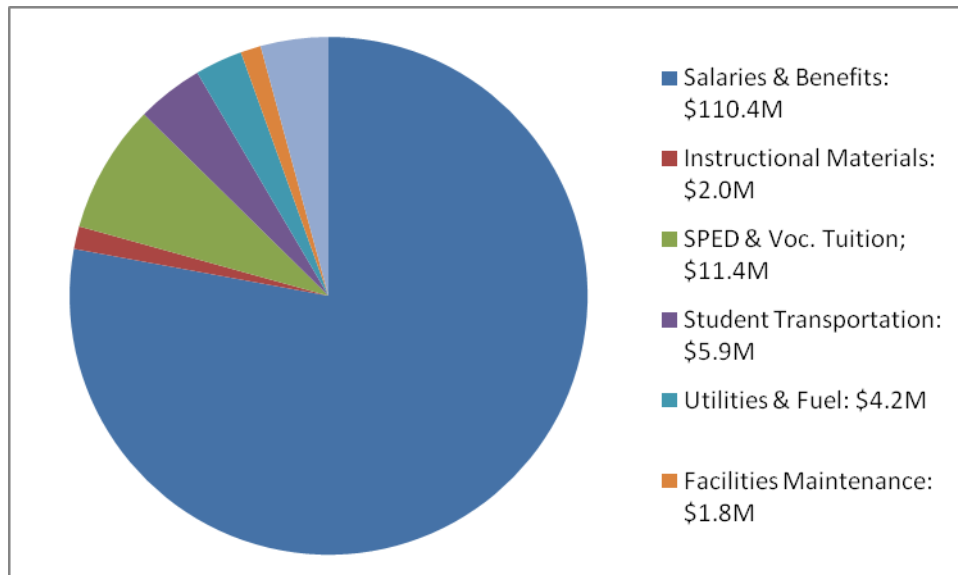
The Debt Stabilization Fund was established in FY 2005 to cover the costs of debt service. In FY 2012, a revenue transfer of \$632K from the Debt Stabilization Fund to the general fund is planned as an offset to debt service expenses for prior elementary projects, and district's share of the War Memorial renovation project which was completed in the fall of 2008.

Revenue from other communities in reimbursement for student transportation is projected at \$250K. The McKinney-Vento Act requires that communities equally share the cost of transporting home children who are temporarily living in one community but choose to attend school in the district in which they previously lived. When the district transports the student, the other community reimburses the district for its portion of the cost.

Expenditures

Total expenditures are projected to equal \$141.7 million in FY12, which is an increase of \$4.2 million (3.1%) over the FY11 adopted budget. Employee salaries and benefits comprise 78% of the total budget.

FY 2012 Projected Expenditures By Category



FY 2012 Projected Expenditures

	FY11 Adopted Budget	FY12 Projected Budget	Change
Salaries and Benefits			
Permanent Salaries	79,428,892	80,588,585	1,159,692
Temporary & Other Salaries	4,467,562	4,673,407	205,845
Health	17,215,359	19,109,048	1,893,689
Dental	1,155,041	1,458,241	303,200
Pensions - City	3,160,560	3,334,391	173,831
Medicare	1,058,742	1,090,504	31,762
Other Fringe Benefits	155,039	155,039	-
Subtotal:	106,641,195	110,409,215	3,768,021
Other Expenditures			
Instructional Materials/Supplies/Services	1,900,040	2,000,000	99,960
Professional & Technical Services	1,271,112	1,271,112	-
Other Supplies and Services	2,399,474	2,299,474	(100,000)
Special Education & Vocational Tuition	10,329,210	11,430,000	1,100,790
Student Transportation	5,760,321	5,901,005	140,684
Utilities and Fuel	4,479,730	4,244,921	(234,809)
Facilities Maintenance	1,794,752	1,794,752	-
Technology	697,737	697,737	-
Workshop stipends, Training, Conferences	874,592	874,592	-
Equipment	151,195	151,195	-
Debt Service	1,192,917	632,468	(560,449)
Subtotal	30,851,080	31,297,256	446,176
Grand Total	137,492,275	141,706,472	4,214,197

The information below provides detail about some of the major expense areas.

Permanent and Temporary Salaries: \$85.3 Million

Permanent and temporary salaries which make up 60% of the total budget are projected to increase by \$1.2 million, which is a 1.5% increase over the FY11 adopted budget. The salary increase is due to step increments for existing employees. The collective bargaining agreements provide for no cost of living increase during FY12.

Health and Dental Insurance: \$20.5 Million

Preliminary estimates for health insurance cost increase is 11 percent. Together, the estimated increase in health and dental insurance costs is \$2.2 million.

Pension: \$3.3 Million

Pension costs are projected to increase by 5.5 %. This is the school share of employer pension costs for non-teacher retirees in the City retirement system. Teacher retiree costs are budgeted and paid for in the state pension system.

Instructional Materials and Supplies: \$2.0 Million

This category includes expenditures for instructional materials and supplies by schools, the Special Education Department, and the Curriculum Departments. Funding for these expenditures are distributed to each elementary school and the high school based on per pupil formulas. The formula takes into consideration the number of students in various sub-groups at each school, including the SES, ELL and the SPED populations. Funding to schools in this category will increase by \$100K in FY12.

Special Education & Vocational Out of District Tuition: \$11.4 Million

Special Education out of district tuition costs are projected to total \$13.0 million in FY12. The district funds these costs using the General Fund budget and the Grant Fund Budget, where the Circuit Breaker Reimbursement is appropriated as well as other federal and state grants. Although the overall increase in Special Education tuition costs for FY12 is projected at \$600K, the costs supported by the General Fund are estimated to increase by \$1.1 million over the FY 11 adopted budget. This larger increase is due to the loss of ARRA IDEA grant funding in FY12. This projection assumes a relatively stable number of students in out of district placements (currently 181) and a 5% increase in tuition. It also reflects an assumption that the State will fund the Circuit Breaker reimbursement at a rate of 38% rather than 72%. Further reductions to the Circuit Breaker reimbursement rate or changes to the number of students could cause this estimate to increase.

Special Education Tuition Costs FY07 – FY12

	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12 Projected
Total SPED Tuition	9,317,990	9,998,784	11,397,340	12,043,207	12,411,546	13,032,123
Funding Source						
General Fund	6,676,898	7,719,917	7,004,559	10,366,370	10,081,636	11,232,123
Grant Fund: ARRA SFSF / IDEA		-	979,784	-	586,000	-
Grant Fund: Circuit Breaker	2,641,092	2,278,867	3,412,997	1,676,837	1,743,910	1,800,000

Transportation: \$5.9 Million

The district contracts with a several vendors to provide pupil transportation services to regular students (including athletics and field trips), special education students and homeless students. In FY11 a new five-year contract for regular transportation services was implemented, which will result in a reduction in costs for FY11 as compared to FY10 expenditures. Increases in Transportation contract costs are estimated to increase by \$141K in FY12 as compared to the FY11 adopted budget. The chart below provides historical information about the cost of student transportation

Pupil Transportation Costs FY07 – FY12

	FY 07	FY 08	FY 09	FY 10	FY 11 Projected	FY 12 Projected
Regular Bus/Field Trips/Athletics	1,925,082	1,943,096	2,043,013	2,183,475	2,062,198	2,118,514
Special Education	1,886,660	2,454,233	2,761,402	3,039,604	3,132,108	3,218,751
Homeless	135,298	156,617	462,699	498,765	498,765	508,740
Vocational	<u>79,263</u>	<u>107,554</u>	<u>100,290</u>	<u>55,500</u>	<u>55,000</u>	<u>55,000</u>
Total Transportation	4,026,303	4,661,500	5,367,404	5,777,344	5,748,071	5,901,005

Utilities and Fuel: \$4.2 Million

This expenditure category includes electricity, natural gas, fuel oil, and gasoline. Energy costs are projected to remain stable in FY12. However, this projection may change based on the contract price for fuel oil in FY 2012. The City participates in a cooperative of cities and towns that competitively bids fixed price contracts for electricity, natural gas, fuel oil and gasoline. Although contracts for natural gas and electricity are in place, the contract for fuel oil will be bid in the spring of 2011. In recent years the price of fuel has varied greatly. The chart below provides historical information.

Energy Costs FY07 – FY12

	FY 07	FY 08	FY 09	FY 10	FY 11 Projected	FY 12 Projected
Fuel Oil	1,036,156	807,579	1,722,673	634,187	807,579	900,000
Electricity	2,165,037	2,320,484	2,199,445	2,015,879	2,301,617	2,531,778
Natural Gas	465,481	403,402	530,551	549,675	639,284	703,213
Gasoline & Oil	<u>52,228</u>	<u>47,684</u>	<u>83,406</u>	<u>63,499</u>	<u>67,944</u>	<u>84,930</u>
Total Energy	3,718,902	3,579,150	4,536,075	3,263,240	3,816,424	4,219,921

Facilities Maintenance: \$1.8 million

This category includes expenditures for supplies, including custodial supplies, and materials related the maintenance of the school district's buildings and grounds. Also included in this category are contracts for services with vendors who provide engineering services, HVAC maintenance, building related repair services, vehicle repair, and other services required to maintain the district's property. The budget for this category is projected to remain at the same level as the FY11 adopted budget

Debt Service: \$632K

The debt service costs include principal and interest payments for the prior elementary school projects and the district's portion of the War Memorial project. The projected debt service costs for FY12 are \$560 less than the FY11 adopted budget. Debt Service costs for previous elementary school project are scheduled to decrease as bonds are paid off. As stated previously, debt service costs in FY 12 are covered on the revenue side by the transfer from the debt stabilization fund.

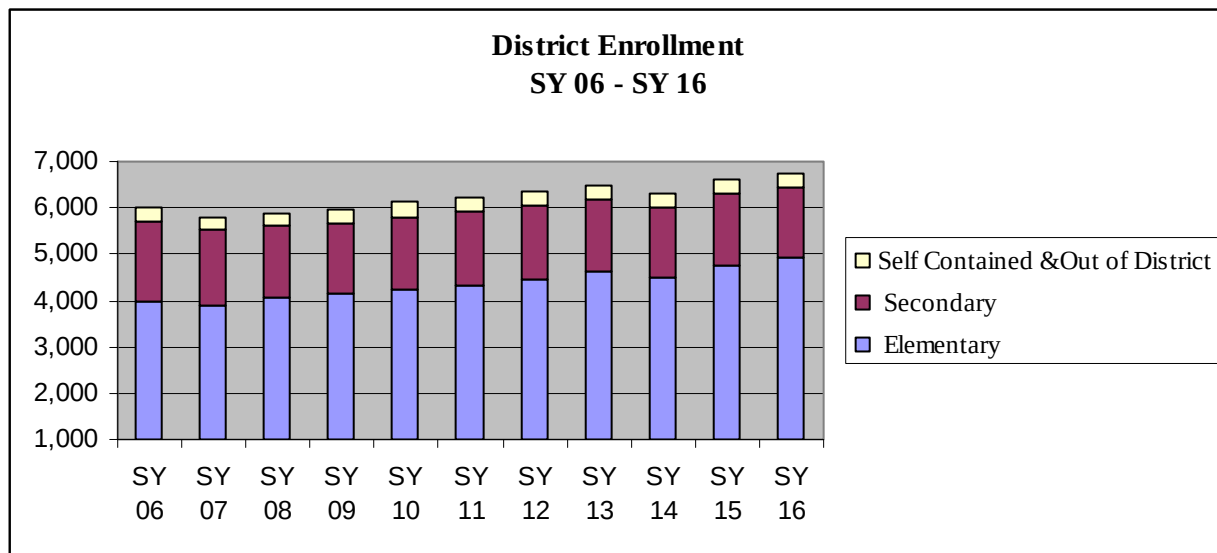
II. Enrollment Projections

Student enrollment is of critical importance in the budget development process because enrollment determines staffing and staffing largely drives the budget. Together, salaries and benefits of employees account for 78% percent of the projected FY12 budget. After a period of declining enrollment between SY96/97 and SY06/07, enrollment began to increase in SY07/08. The SY10/11 October 1, 2010 official enrollment is 6,202 students, an increase of 196 students over FY 2010 enrollment. The projected enrollment for SY11/12 is 6,246, an increase of 56 students. The tables and graphs below show historical data and projected trends in enrollment. Enrollment is projected to increase by 543 students during the five year forecast period of FY12 to FY16. This is an increase of 9%.

District Enrollment SY 2006 - 2016

Year	Elementary*	Secondary	Self Contained & Out of District	Total	Change	% Chg
SY 06	3,972	1,752	277	6,001		-7%
SY 07	3,907	1,637	253	5,797	-204	-3%
SY 08	4,053	1,554	254	5,861	64	1%
SY 09	4,134	1,539	277	5,950	89	2%
SY 10	4,249	1,543	345	6,137	187	3%
SY 11	4,337	1,571	294	6,202	56	1%
<i>Projected</i>						
SY 12	4,462	1,602	298	6,362	160	3%
SY 13	4,632	1,550	298	6,480	118	2%
SY 14	4,491	1,536	298	6,325	-156	-2%
SY 15	4,745	1,560	298	6,603	279	4%
SY 16	4,914	1,534	298	6,745	142	2%

* Includes Special Start Preschool enrollment



Enrollment Projection Methodology

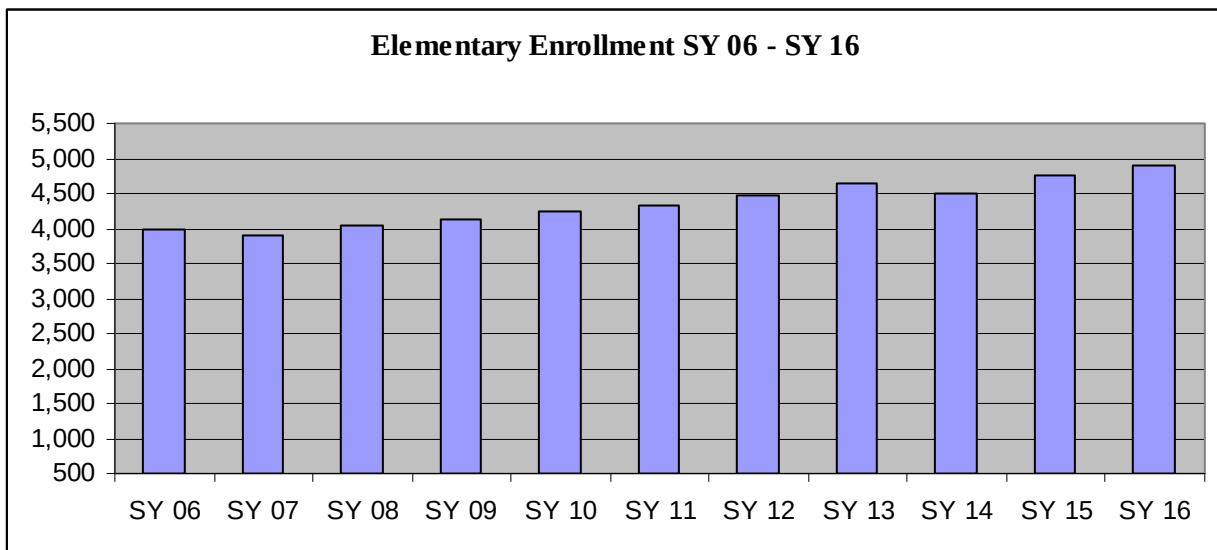
Enrollment for Grades 1-12 is projected using a five year weighted formula to calculate the average retention rate of students (i.e. students who progress to the next grade). The formula is structured such that the rate of retention between the most recent two years is given more weight than the rate of retention between year five and year four. Kindergarten enrollment projections are based on a percentage of births to Cambridge residents five year prior. For FY 2013 through FY 2015, kindergarten enrollments are based on an assumption that 77% of children born to Cambridge residents five years prior to the start of school will enroll. Enrollment is projected at both the district level and for each school. School based projections enable us to determine whether staffing adjustments are required to address changes in student enrollment.

Staffing Impact of Enrollment Increases

Projections of students rising to the next grade at each elementary school are reviewed in order to maintain class sizes that do not exceed 25. In FY10 the district added nine additional elementary classrooms, including five new kindergarten. In FY11, although increases and decreases occurred at individual schools based on enrollment patterns, the district did not increase the total number of elementary classrooms. Again in FY12 the number of classrooms is projected to remain stable. As in past years there will be changes at individual schools based on enrollment projections. At the Tobin Montessori, three new classrooms will be added for the first year of the intermediate elementary program (grades 4, 5, and 6). These additional classrooms will be offset by the reduction of one regular 4th grade at the Tobin School in FY12 and other reductions occurring at other schools based on enrollment patterns. This projection is subject to revision based on several factors, including the number of prospective students registered during the initial kindergarten registration period in January. Because many factors influence enrollment, reserve positions are budgeted so that the school department can respond to an unexpected increase of students. The projected budget for FY 2012 includes 5.0 FTEs in reserve teacher positions and 5.0 FTEs in classroom aide positions.

Projected Growth in Elementary and Secondary Enrollment

Year	Elementary	Change	% Chg	Secondary	Change	%Chg
SY 06	3,972			1,752		
SY 07	3,907	-65	-2%	1,637	-115	-7%
SY 08	4,053	146	4%	1,554	-83	-5%
SY 09	4,134	81	2%	1,539	-15	-1%
SY 10	4,249	115	3%	1,543	4	1%
SY 11	4,337	88	2%	1,571	28	1%
<i>Projected</i>						
SY 12	4,462	125	3%	1,602	31	2%
SY 13	4,632	170	4%	1,550	-52	-3%
SY 14	4,491	-141	-3%	1,536	-15	-1%
SY 15	4,745	254	6%	1,560	25	2%
SY 16	4,914	169	4%	1,534	-27	-2%



III. Estimates for FY 2012 through 2015

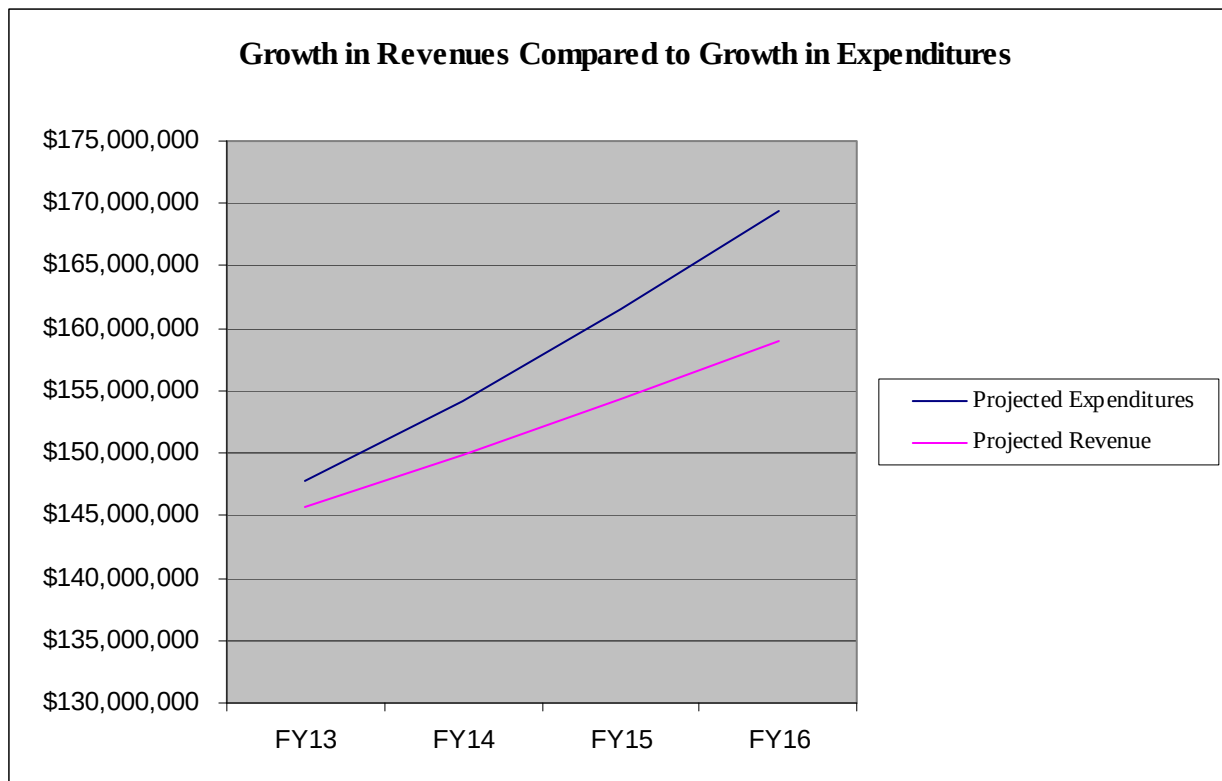
An average annual growth rate of 3.0% is projected for total general fund revenues during the four-year period FY 2013 through FY 2016, compared to a projected average growth rate of 4.6% in expenditures. Fiscal years 2013 through 2016 will present fiscal challenges as we continue to deal with limited state revenues and reliance on the property tax for revenue increases, while still facing inflationary costs in a number of areas, including the following:

- Cost of living increases in salaries. The most recent contracts are in effect through FY 2012. In FY 2012 there will be no cost of living increase for employees. Modest salary increases for FY 2013 – 2015 are assumed.

- Health insurance increases of 12% annually in FY 2013- 2016. If actual costs over the five-year period meet these projections, health insurance, dental insurance and Medicare costs will reach a level of \$33 million, or 20% of the total general fund budget, by FY 2016. Currently, these expenditures comprise 14% of the budget, or \$19.4million.
- Increases in energy costs of 3% and transportation costs of 3%.
- Special education tuition costs increases of 5% for the period FY 2013 though FY 2016.

Based on current projections, the gap between projected revenues and projected expenditures will increase to \$10.3M in FY 2016. Projections in this document beyond FY 2012 reflect the cumulative effect of differences between estimated revenues and expenditures over the five-year period. Therefore, since state law in Massachusetts requires a balanced budget, resolving the budget shortfall for FY 2012 either by increasing revenues or decreasing expenditures or a combination of the two, will automatically modify the projected shortfalls for the following years.

PROJECTED BUDGET GAP FY 13 – FY 16



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Expenditures and Revenues

FY 13 – FY 16

	Projected FY13	Projected FY14	Projected FY15	Projected FY16
Projected Expenditures	\$ 147,720,090	\$ 154,111,883	\$ 161,528,175	\$ 169,321,813
<i>Expenditure Percent Increase</i>	2.53%	4.33%	4.81%	4.82%
Projected Revenue	\$ 145,641,084	\$ 149,920,654	\$ 154,395,224	\$ 159,048,776
<i>Revenue Percent Increase</i>	2.55%	2.94%	2.98%	3.01%
<i>Shortfall Revenues vs Expenditures</i>	(3,739,100)	(4,191,229)	(7,132,952)	(10,273,037)

IV. Appendix

Table I: Five Year Financial Forecast-Revenue Projections

Table II: Five Year Financial Forecast:-Expenditure Projections

Table III: SY 10/11 Enrollment By School and Grade

Table IV: SY 11/12 Enrollment Projection by School and Grade

Table V: Ten Year Enrollment History & Enrollment Projections SY 00/01 – SY 14/15

TABLE I
Five Year Financial Forecast
REVENUE PROJECTIONS

	FY11	FY12	FY13	FY14	FY15	FY16
Property Taxes						
Real Estate Taxes	\$ 113,055,770	\$ 117,656,635	\$ 121,841,538	\$ 126,144,009	\$ 130,618,579	\$ 135,272,131
Less: Net Charter School impact	\$ (501,310)	\$ (501,310)	\$ (549,222)	\$ (549,222)	\$ (549,222)	\$ (549,222)
Equals: Net Property Tax Levy	\$ 112,554,460	\$ 117,155,325	\$ 121,292,316	\$ 125,594,787	\$ 130,069,357	\$ 134,722,909
 Hotel/Motel Excise Tax	\$ 936,000	\$ 936,000	\$ 936,000	\$ 936,000	\$ 936,000	\$ 936,000
Fines & Forfeits - Parking Fines	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Sub-total: Local Tax Revenue	\$ 113,590,460	\$ 118,191,325	\$ 122,328,316	\$ 126,630,787	\$ 131,105,357	\$ 135,758,909
 Intergovernmental Revenue						
State Ch70 Education Aid	\$ 8,596,970	\$ 8,167,125	\$ 8,167,125	\$ 8,167,125	\$ 8,167,125	\$ 8,167,125
State School Lunch Aid	\$ 23,900	\$ 23,900	\$ 28,135	\$ 28,135	\$ 28,135	\$ 28,135
General State Aid	\$ 12,932,330	\$ 12,932,330	\$ 13,357,941	\$ 13,357,941	\$ 13,357,941	\$ 13,357,941
Federal Medicaid Reimbursement	\$ 900,000	\$ 900,000	\$ 900,000	\$ 900,000	\$ 900,000	\$ 900,000
Sub-total: Intergovernmental Revenue	\$ 22,453,200	\$ 22,023,355	\$ 22,453,200	\$ 22,453,200	\$ 22,453,200	\$ 22,453,200
 Miscellaneous Revenue						
McKinney-Vento Transportation Reimbursement	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Transfer from Debt Stabilization Fund	\$ 1,198,615	\$ 632,470	\$ 609,568	\$ 586,667	\$ 586,667	\$ 586,667
Sub-total: Miscellaneous Revenues	\$ 1,448,615	\$ 882,470	\$ 859,568	\$ 836,667	\$ 836,667	\$ 836,667
 PROJECTED REVENUE BUDGET	\$ 137,492,275	\$ 141,097,150	\$ 145,641,084	\$ 149,920,654	\$ 154,395,224	\$ 159,048,776
<i>Percent Increase</i>		<i>2.6%</i>	<i>3.2%</i>	<i>2.9%</i>	<i>3.0%</i>	<i>3.0%</i>

TABLE II
Five Year Financial Forecast
EXPENDITURE PROJECTIONS

	Prior Year Expenditures FY10	Adopted Budget FY11	Projected FY12	Projected FY13	Projected FY14	Projected FY15	Projected FY16
Salaries and Benefits							
Permanent Salaries	\$ 75,829,668	\$ 79,428,892	\$ 80,588,585	\$ 84,262,962	\$ 86,919,809	\$ 90,242,748	\$ 93,677,531
Temporary & Other Salaries	\$ 4,493,077	\$ 4,467,562	\$ 4,673,407	\$ 4,723,960	\$ 4,775,777	\$ 4,828,890	\$ 4,883,330
Health	\$ 15,783,793	\$ 17,215,359	\$ 19,109,048	\$ 21,402,134	\$ 23,970,390	\$ 26,846,837	\$ 30,068,458
Dental	\$ 1,208,158	\$ 1,155,041	\$ 1,458,241	\$ 1,531,153	\$ 1,607,711	\$ 1,688,096	\$ 1,772,501
Pensions - City	\$ 3,068,505	\$ 3,160,560	\$ 3,334,391	\$ 3,417,751	\$ 3,503,194	\$ 3,590,774	\$ 3,680,544
Medicare	\$ 1,021,743	\$ 1,058,742	\$ 1,090,504	\$ 1,123,219	\$ 1,156,916	\$ 1,191,623	\$ 1,227,372
Other Fringe Benefits	\$ 213,022	\$ 155,039	\$ 155,039	\$ 155,039	\$ 155,039	\$ 155,039	\$ -
Subtotal:	\$ 101,617,515	\$ 106,641,195	\$ 110,409,215	\$ 116,616,219	\$ 122,088,836	\$ 128,544,008	\$ 135,309,735
Other Expenditures							
Instructional Materials/Supplies/Services	\$ 1,982,826	\$ 1,900,040	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Professional & Technical Services	\$ 1,449,461	\$ 1,271,112	\$ 1,271,112	\$ 1,271,112	\$ 1,271,112	\$ 1,271,112	\$ 1,271,112
Other Supplies and Services	\$ 1,861,517	\$ 2,399,474	\$ 2,299,474	\$ 2,299,474	\$ 2,299,474	\$ 2,299,474	\$ 2,299,474
Special Educ and Vocational Tuition	\$ 10,487,871	\$ 10,329,210	\$ 11,430,000	\$ 11,829,729	\$ 12,458,296	\$ 13,119,403	\$ 13,814,711
Student Transportation	\$ 5,748,082	\$ 5,760,321	\$ 5,901,005	\$ 6,078,036	\$ 6,260,377	\$ 6,448,188	\$ 6,641,634
Utilities and Fuel	\$ 3,587,999	\$ 4,479,730	\$ 4,244,921	\$ 4,372,269	\$ 4,503,437	\$ 4,638,540	\$ 4,777,696
Facilities Maintenance	\$ 1,826,571	\$ 1,794,752	\$ 1,794,752	\$ 1,794,752	\$ 1,794,752	\$ 1,794,752	\$ 1,794,752
Technology	\$ 742,288	\$ 697,737	\$ 697,737	\$ 697,737	\$ 697,737	\$ 697,737	\$ 697,737
Workshop stipends, Training, Conferences	\$ 975,946	\$ 874,592	\$ 874,592				
Equipment	\$ 173,377	\$ 151,195	\$ 151,195	\$ 151,195	\$ 151,195	\$ 151,195	\$ 151,195
Debt Service	\$ 2,795,767	\$ 1,192,917	632,468	609,568	586,667	563,767	563,767
Subtotal	\$ 31,631,705	\$ 30,851,080	31,297,256	31,103,872	32,023,046	32,984,168	34,012,078
Grand Total	\$ 133,249,220	\$ 137,492,275	\$ 141,706,472	\$ 147,720,090	\$ 154,111,883	\$ 161,528,175	\$ 169,321,813
			3.1%	4.2%	4.3%	4.8%	4.8%
Total Revenue		137,492,275	141,097,150	145,641,084	149,920,654	154,395,224	159,048,776
<i>Revenue Percent Increase</i>							
<i>Shortfall Revenues vs Expenditures</i>			\$ (609,322)	\$ (2,079,006)	\$ (4,191,229)	\$ (7,132,952)	\$ (10,273,037)

TABLE III
SY 10-11 Enrollment as of 10/1/2010

School	Sped Self-Cont.	P/K	M/3	M/4	K	1	2	3	4	5	6	7	8	9	10	11	12	Out of District	Program Total	School Total
Amigos	5				79	30	39	38	31	26	27	20	23							318
Baldwin	2				58	44	44	41	42	42	38	26	36							373
Cambridgeport	4				57	31	29	29	32	28	21	23	28							282
Fletcher-Maynard	13	17			47	27	26	31	17	15	16	15	15							239
Graham & Parks					58	44	41	42	42	42	41	38	40						388	
Graham & Parks SEI						6	4	1	10	2	4								27	415
Haggerty	4				52	39	35	46	34	32	20									262
Kennedy/Longfellow	23	11			89	46	34	35	20	35	17	15	17						342	
Kennedy/Longfellow ISP											20	18	22						60	402
King	13				73	37	39	36	20	23	17	14	13							285
King Open	15				75	36	45	38	43	39	38	42	39						410	
King Open - Ola'					16	14	8	12	8	7	4	8	6						83	493
Morse	5	27			72	45	40	43	41	40	36	37	41							427
Peabody	6	15			90	54	47	53	34	44	21	21	37						422	
Peabody ISP											40	49	25						114	536
Tobin	12	27							17	17	11	14	20						118	
Tobin Montessori			41	37	37	30	30	22											197	
Tobin SEI					27	9	6	9	6	5	9	9	12						92	407
Elementary Subtotal	102	97	41	37	830	492	467	476	397	397	380	349	374							4,439
CRLS	9													394	390	400	329			1,522
High School Extension Prog.														6	18	20	14			58
Secondary Subtotal														400	408	420	343			1,580
OSE Tuition Out																		176		176
Career/Tech Tuition-Out																		7		7
Out of District Subtotal																				183
Total Enrollment	111	97	41	37	830	492	467	476	397	397	380	349	374	400	408	420	343	183		6,202

TABLE IV
SY 11-12 Enrollment Projection by School and Grade

School	Sped																	Projected			
	Self-Cont.	P/K	M/3	M/4	K	1	2	3	4	5	6	7	8	9	10	11	12	Out of District	Total	Curr. Yr.	Diff.
Amigos	5				79	50	27	39	35	30	21	24	18						328	318	10
Baldwin	2				58	45	46	46	42	42	37	40	26						384	373	11
Cambridgeport	7				57	34	31	30	30	30	23	21	22						285	282	3
Fletcher-Maynard Acad.	13	17			47	33	25	25	29	15	13	14	14						245	239	6
Graham & Parks					58	42	45	43	41	42	41	42	38						392	388	4
G & P SEI						6	4	1	10	2	4								27	27	0
Haggerty	4				52	40	34	34	42	34	22								262	262	0
Kennedy/Longfellow	22	11			89	47	43	33	34	21	28	17	14						359	342	17
Kennedy/Longfellow ISP											20	19	18						57	60	-3
King	13				80	44	34	43	35	17	23	18	14						321	285	36
King Open	15				75	47	34	42	38	41	38	40	41						411	410	1
King Open Ola'					17	10	14	7	11	7	7	5	8						86	83	3
Morse	5	27			72	48	45	42	44	44	33	38	36						434	427	7
Peabody	6	15			91	60	51	46	50	37	24	25	22						427	422	5
Peabody ISP											41	45	43						129	114	15
Tobin	14	27								17	11	11	14						94	118	-24
Tobin Montessori			40	34	35	46	31	29	21										236	197	39
Tobin SEI					27	9	6	9	6	5	9	9	12						92	92	0
Elem. Sub-Total	106	97	40	34	837	561	470	469	468	385	395	368	340						4,568	4,439	129
CRLS	9													417	370	392	366		1554	1522	32
High School Extension Prog.														11	6	20	20		57	58	-1
Secondary Subtotal	9													428	376	412	386		1611	1580	31
Spec Ed Tuition-Out																			176	176	0
Career/Tech Tuition-Out																			7	7	0
Total Projected Enrollment	115	97	40	34	837	561	470	469	468	385	395	368	340	428	376	412	386	0	6362	6202	160

TABLE V
Ten Year Enrollment History

Births 5-yr's previous																	Incr/(Decr) from Prior Yr.	
Year	Pre-K	MK	K	1	2	3	4	5	6	7	8	9	10	11	12	Self-Cont'd & Out of District	Tot	
2001-02	900																	
	50		722	538	498	549	516	529	511	545	527	493	541	505	486	286	7296	(71)
2002-03	943																	
	55		715	511	520	486	503	499	491	476	521	508	490	526	472	338	7111	(185)
2003-04	986																	
	55		694	489	466	479	443	454	467	465	460	474	505	508	500	297	6756	(355)
2004-05	923																	
	50		708	461	462	441	445	398	440	420	438	433	471	506	499	278	6450	(306)
2005-06	1041																	
	52		730	408	421	430	407	412	387	350	375	417	441	454	440	277	6001	(449)
2006-07	946																	
	70		689	458	386	413	413	380	391	365	342	393	397	429	418	253	5797	(204)
2007-08	982																	
	74	37	761	432	443	397	391	410	371	377	360	394	385	378	397	254	5861	64
2008-09	1041																	
	93	38	763	490	414	415	401	397	388	367	368	429	378	376	356	277	5950	89
2009-10	1071																	
	92	40	813	494	471	412	416	394	371	383	363	436	391	376	340	345	6137	187
2010-11	998																	
	97	37	872	491	466	475	398	397	380	349	374	400	408	420	343	294	6202	65

	(PK)		(K)	(K-1)	(1-2)	(2-3)	(3-4)	(4-5)	(5-6)	(6-7)	(7-8)	(8-9)	(9-10)	(10-11)	(11-12)			
Year AVG Survival Ra	1.00	1.000	*	0.628	0.954	0.991	0.982	0.978	0.953	0.966	0.981	1.145	0.941	1.010	0.918	0.806		

Enrollment Projections SY 11-12 to SY 15-16

2011-12	1127	97	40	871	561	470	469	467	385	394	368	340	428	376	412	386	298	6362	160
2012-13	1196	97	40	921	547	535	466	460	457	367	381	361	389	403	380	378	298	6481	119
2013-14	846	97	40	651	578	522	531	457	450	435	355	373	413	366	407	349	298	6325	(156)
2014-15	1250	97	40	963	409	552	518	521	447	429	421	348	428	389	370	374	298	6603	279
2015-16		97	40	963	605	391	547	508	510	426	415	413	398	402	393	340	298	6745	142

Projection Methodology

* Kindergarten enrollment projections based on 77% of births five years previous in SY 12/13 through SY14/15.

Grade 1-12 projections based on weighted 5 year average rate of progression between grades. This formula gives proportionately more weight to the more recent years.