



Cambridge Public Schools

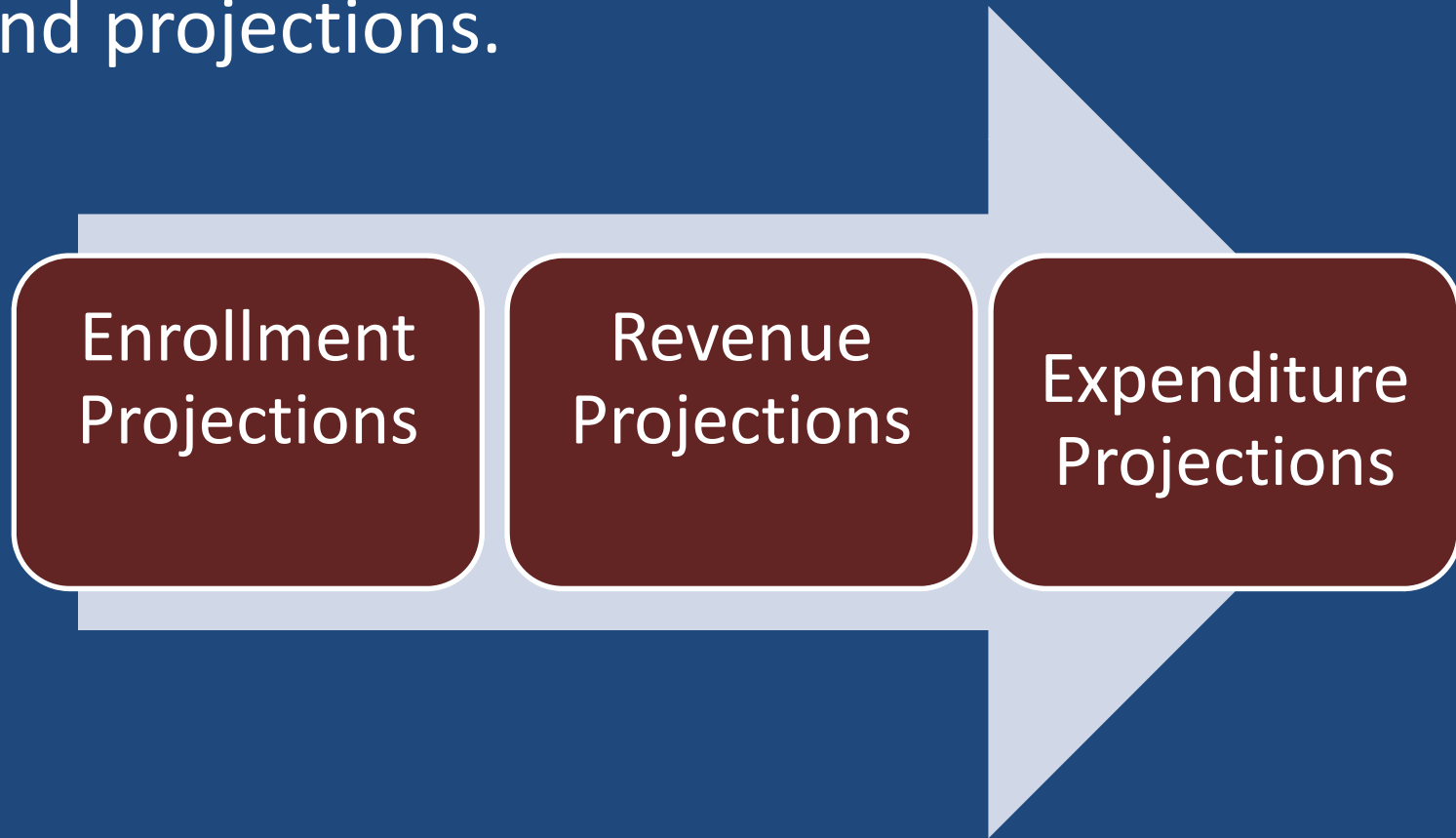
FY 2017 Preliminary Estimates & Enrollment Projections

School Committee Budget Retreat

January 12, 2016

How Is the Budget Developed?

Budget development begins with assumptions and projections.



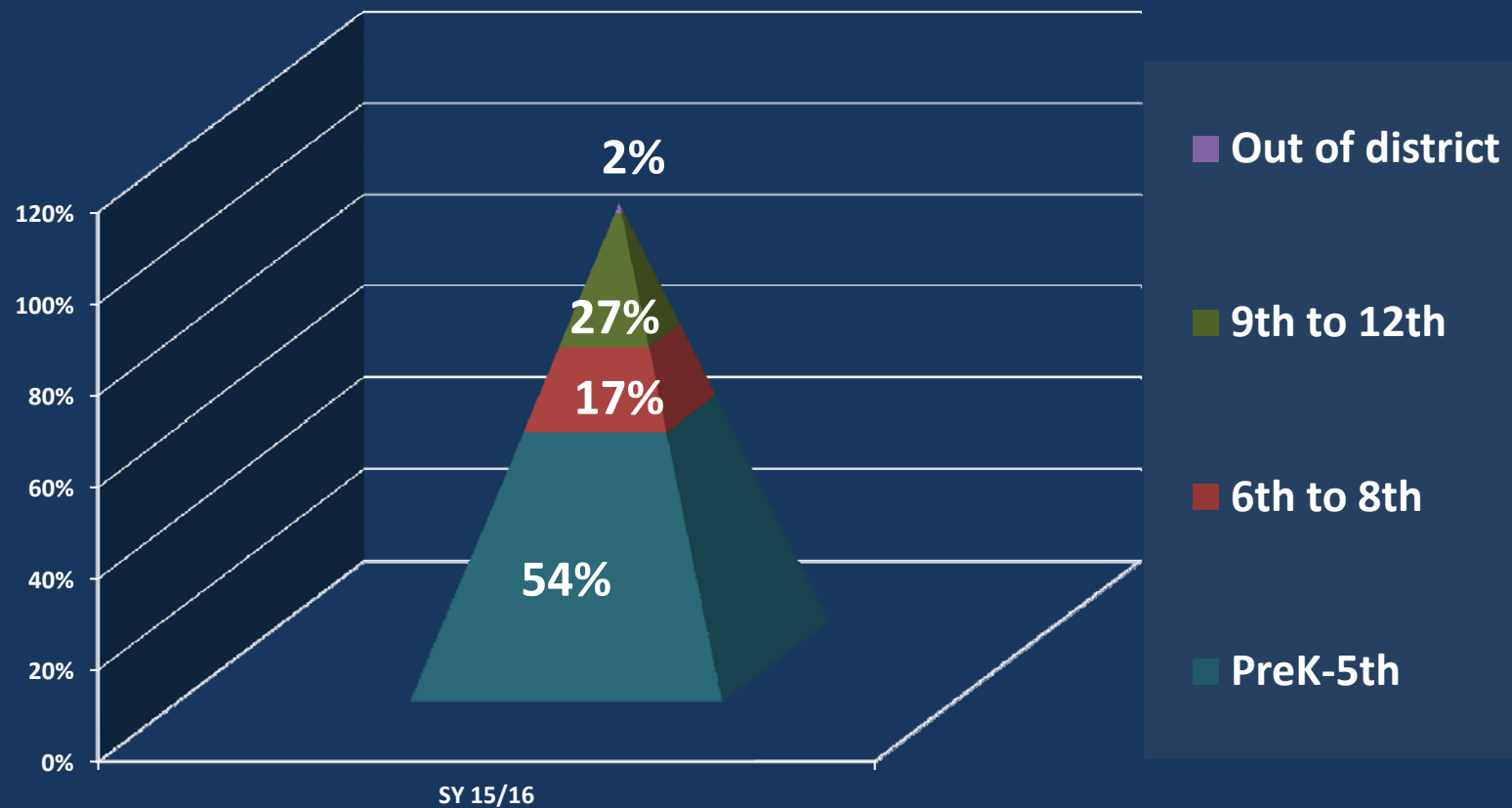
Enrollment Projections

Year	PK-5	6 -8	9-12	Out of District	Total
Current	3,623	1,120	1,864	164	6,771
Projected 2017	3,722	1,118	1915	171	6,926
Change	+90	-2	+51	+7	+155

Current year enrollment of 6,771

Projected enrollment for SY 2017: 6,926 (+2.3%)

Enrollment by Grade Span



CPS Students

Select Student Demographics by Grade Span SY 2016

Grade Span	English Language Learners	Students with Disabilities	Free & Reduced Lunch	Economic Disadvantage
District-wide	8%	22%	47%	27.7%
Elementary	11%	20%	44%	
Middle (6-8)	4%	26%	52%	
High School	6%	16%	47%	
SOURCE: CPS Official Oct 1 Enrollment Data				

Projected Average Class Size

Class Size Remains Favorable

Grade Span	Current Average	Projected Average
Kindergarten	18	19
1 st & 2 nd Grade	20	20
3 rd to 5 th Grade	18	18
Children's House	23	24
Lower Elementary (1 st -3 rd)	21	20
Upper Elementary (4 th -5 th)	16	18
6 th to 8 th Grade	21	21

CRLS Average Class Size	
Subject	Current Average
English	20
History	21
Math	21
Science	18

Preliminary Budget Estimates

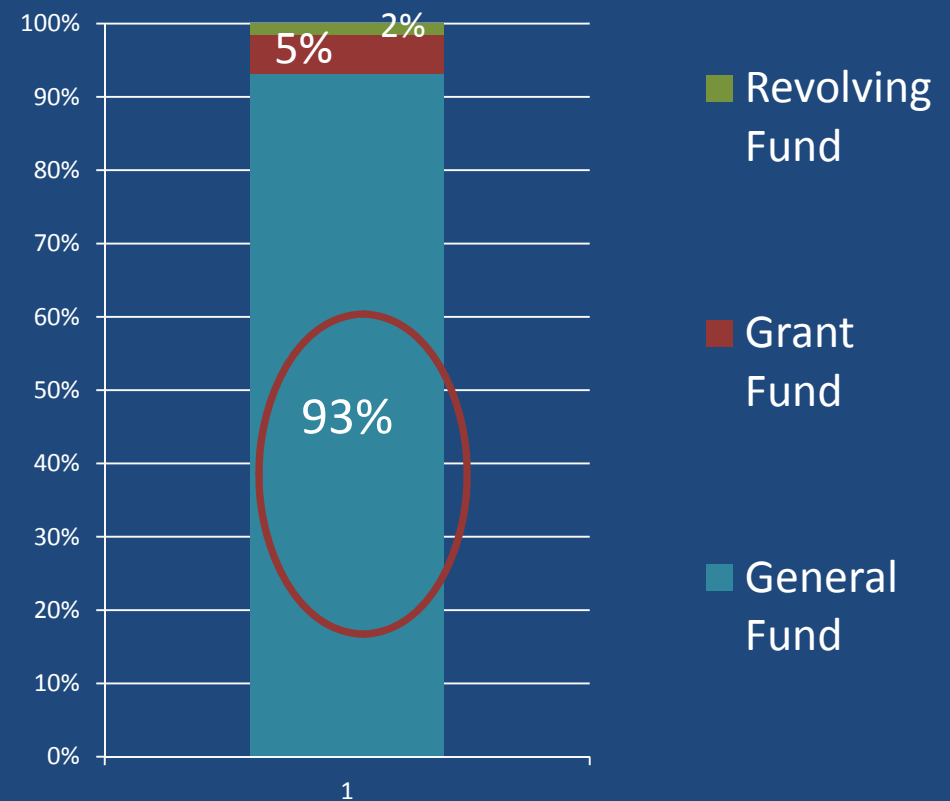
CPS Annual Budget

General Fund:
Operating Budget

Grant Fund:
State/Federal/Private

Revolving Fund:
School Lunch Program

Capital Budget-Allocated
separately by City



CPS Budget by Fund

General Fund Revenue

Three primary sources of revenue:

A horizontal bar chart with three bars of decreasing length. The top bar is dark red and labeled 'Property Tax (86%)'. The middle bar is olive green and labeled 'Federal and State Aid (13%)'. The bottom bar is blue and labeled 'Miscellaneous (1%)'. Each bar is set against a light gray background with a fine grid pattern.

Source	Percentage
Property Tax	86%
Federal and State Aid	13%
Miscellaneous	1%

Property Tax (86%)

Federal and State Aid (13%)

Miscellaneous (1%)

Revenue Projections

Estimates developed with City fiscal staff

- Preliminary estimate: **\$169.9 Million (+ 6.0 M)**
- Property tax increase of 5%, less increase to charter school assessment of \$1.0 M

Revenues	FY 2016	FY 2017 Estimate	Change	% Change
Property Tax	\$139.8M	\$145.8M	\$6.0M	4.3%
Federal & State Aid	\$22.5M	\$22.5M	\$0	
Miscellaneous	\$1.6M	\$1.6M		
Total	\$163.9M	\$169.9M	\$6.0M	3.6%

Expenditure Projections

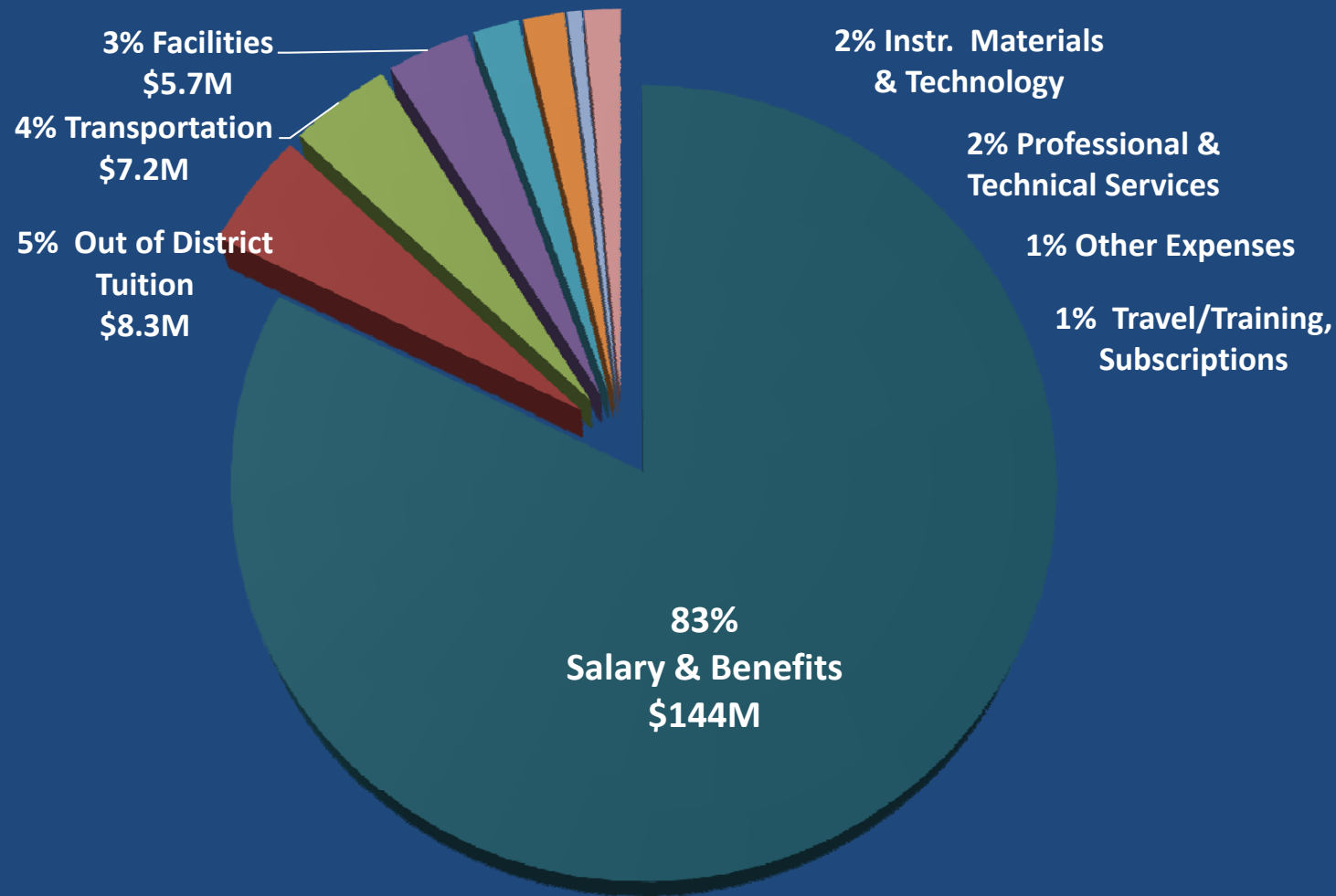
Preliminary estimate: **\$174.8 Million**

- Increase of \$10.9 M compared to revenue increase of \$6.0 M.
- Preliminary budget shortfall: \$4.9M

Revenue	Expenditures	Gap
\$169.9M	\$174.8M	(\$4.9M)

Balanced budget requirement

Where Does the Money Go?



Summary of FY 2017 Cost Increases

	Increase in Millions
Salary and Benefits	\$ 7.3
SPED Out of District Tuition	\$ 2.2
SPED-Other Contracts for Services	\$.4
Transportation	\$.8
Instructional Materials and Technology	<u>\$.2</u>
TOTAL	\$10.9

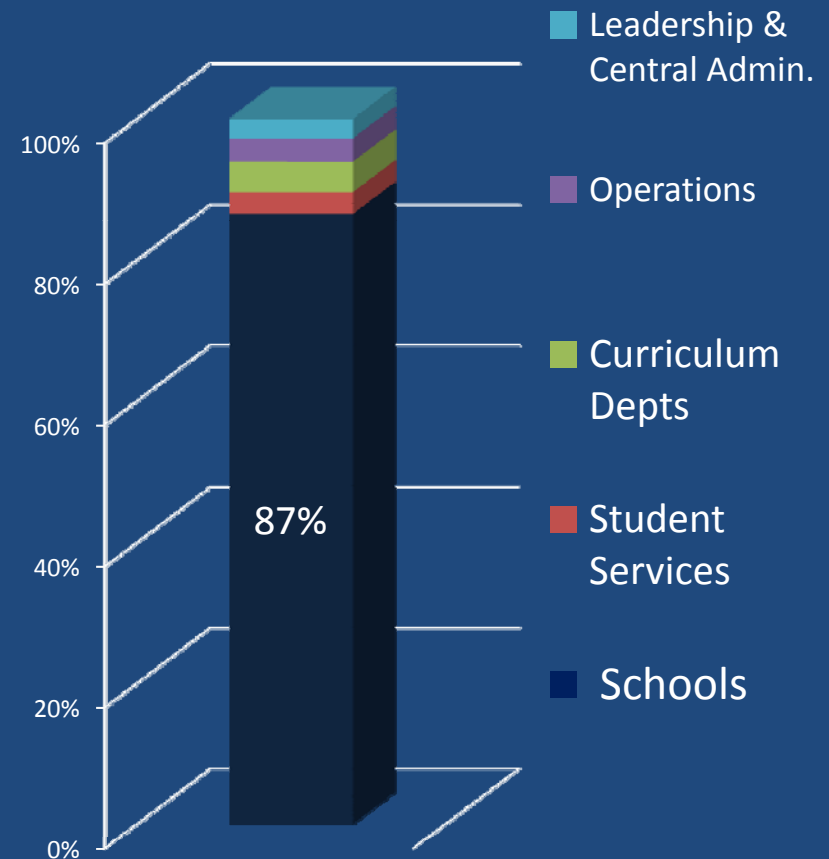
Increases in Salary & Benefit Costs

FY 2016 FTEs: 1,390

Staff costs up 5.4%

- Cost of Living Adjustments
- Salary Steps
- Some additional staff: enrollment-based

FTEs BY Program



Other Significant Increases

Unusually large increases in several areas

- Out of District Tuition: +\$2.2M
 - FY 17 estimated tuition costs: \$14.0M
 - Partially Funded in by IDEA Grant & Circuit Breaker
- Contracts for services: +\$400K
 - Specialized services for students with disabilities
- Transportation: + \$800K

Addressing the Budget Shortfall

- Refining expenditure projections may result in lower cost estimates
- Reductions and reallocation of resources
- Increased revenue

Capital Budget

- Annual allocation for maintenance & system replacement projects
 - Boilers, roofs, building repairs
- City bonds issued for building reconstruction
 - Current debt for schools \$197M
 - FY 2017 debt service payment \$14.7 M
 - \$130M new bonds issued next 3 years for King Open/CSUS project

What Factors Drive Budget Decisions?

- Enrollment Growth
- Student needs
 - English Language Learners
 - Low income
 - Students with disabilities
- School Committee Budget Guidelines
- Strategic priorities

Budget Development Timeline

Jan-Feb

- Preliminary Projections
- Public Hearings
- School Committee Budget Guidelines
- Revenues and Expenditures Balanced

March

- Superintendent presents FY2017 Proposed Budget
- Public Hearing
- School Committee Review of Budget

April-May

- Final Revisions
- School Committee Vote of Adoption
- City Council Hearing and Appropriation