



Information Section

Comparative Demographic & Expenditure Data

The high value of the educational dollar in Needham also is demonstrated by the comparison of expenditure data to test results in the chart below. Needham's per pupil expenditure amount of \$13,602 in FY11 was ranked 13th among the 20 communities, with whom Needham regularly compares itself. However, Needham's test results are often better – ranking 9th in SAT results

Community	FY12 Average Single Family Tax Bill (1)		FY11 Per-Pupil Expenditure (2)		FY11 Student Teacher Ratio (2)		FY10 MCAS ELA CPI (3)		FY10 MCAS Math CPI (3)		FY10 Combined SAT (3)		FY12 Teacher Starting Salary with Masters (4)		FY12 Teacher Top Salary with Masters + 30 (4)	
	Amount	Rank	Amount	Rank	Ratio	Rank	Score	Rank	Score	Rank	Score	Rank	Amount	Rank	Amount	Rank
Belmont	\$9,964	F 8	11,968.83	F 17	17.0 to 1	18	96.4	F 6	92.3	F 7	1835	F 3	\$48,621	F 5	\$89,455	F 7
Brookline	N/A	F 5	16,556.38	F 3	12.7 to 1	4	93.5	F 18	91.4	F 12	1743	F 13	\$48,045	F 8	\$87,970	F 9
Concord	\$11,564	F 18	16,637.25	F 2	13.6 to 1	7	99.2	F 1	96.7	F 1	1828	F 4	\$50,076	F 1	\$94,809	F 1
Dedham	\$5,770	F 3	15,458.82	F 8	12.7 to 1	4	90.5	F 20	85.4	F 19	1508	F 20	\$50,039	F 2	\$81,318	F 17
Dover	\$12,390	F 17	16,495.20	F 4	10.5 to 1	1	97.6	F 2	92.9	F 4	1781	F 10	\$49,993	F 3	\$91,161	F 5
Frammingham	\$5,774	F 15	15,769.16	F 7	12.7 to 1	4	83.7	F 21	77.0	F 21	1570	F 19	\$47,662	F 9	\$78,875	F 20
Holliston	\$6,916	F 13	12,089.07	F 16	13.5 to 1	6	94.5	F 16	90.7	F 14	1672	F 16	\$46,055	F 16	\$86,379	F 10
Hopkinton	\$8,082	F 7	12,297.63	F 15	14.6 to 1	13	96.2	F 8	91.9	F 10	1718	F 14	\$46,142	F 14	\$82,149	F 15
Lexington	\$10,441	F 12	NA	F 20	12.2 to 1	2	97.0	F 4	95.0	F 2	1894	F 1	\$46,610	F 12	\$85,437	F 11
Medfield	\$8,811	F 16	11,364.11	F 14	14.7 to 1	14	95.4	F 12	90.3	F 15	1759	F 12	\$45,912	F 17	\$83,985	F 12
Natick	\$6,015	F 12	12,648.93	F 14	14.5 to 1	12	94.0	F 17	90.1	F 16	1614	F 17	\$46,834	F 11	\$80,338	F 18
Needham	\$8,075	F 14	13,601.94	F 13	15.5 to 1	17	94.7	F 15	91.1	F 13	1783	F 9	\$46,104	F 15	\$83,708	F 13
Newton	\$8,910	F 11	16,391.60	F 6	14.8 to 1	15	94.8	F 13	92.0	F 9	1811	F 7	\$47,070	F 10	\$88,341	F 8
Nonwood	\$3,862	F 20	13,616.24	F 12	12.9 to 1	5	90.7	F 19	81.7	F 20	1500	F 21	\$43,374	F 21	\$77,364	F 21
Sherborn	\$13,534	F 2	16,495.20	F 4	10.5 to 1	1	97.6	F 2	92.9	F 4	1781	F 10	\$49,993	F 3	\$91,161	F 5
Walpole	5,740	F 19	11,691.10	F 19	15.1 to 1	16	94.8	F 13	86.9	F 18	1589	F 18	\$43,622	F 20	\$81,894	F 16
Wayland	\$11,274	F 6	15,121.16	F 10	13.9 to 1	9	96.0	F 10	91.7	F 11	1827	F 5	\$46,147	F 13	\$94,376	F 2
Wellesley	\$11,860	F 4	15,421.18	F 9	13.7 to 1	8	95.6	F 11	90.0	F 17	1817	F 6	\$48,411	F 6	\$93,272	F 3
Weston	\$16,643	F 1	19,359.97	F 1	12.3 to 1	3	96.2	F 8	92.1	F 8	1863	F 2	\$48,261	F 7	\$92,065	F 4
Westwood	\$9,019	F 10	13,999.00	F 11	14.1 to 1	10	96.9	F 5	92.9	F 4	1714	F 15	\$44,220	F 19	\$82,837	F 14
Winchester	9,557	F 9	11,821.68	F 18	14.2 to 1	11	96.3	F 7	93.2	F 3	1803	F 8	\$44,994	F 18	\$78,991	F 19

* - Concord-Carlisle

** - Dover-Sherborn

(1) Source: Commonwealth of Massachusetts Department of Revenue Website. Brookline has adopted a residential tax exemption and does not submit sufficient data to determine average tax bill.

(2) Source: Commonwealth of Massachusetts Department of Education Website. Concord is Concord, Dover & Sherborn

(3) Source: Commonwealth of Massachusetts Department of Education Website. 2011 MCAS Data for All Grades, All Grades. Test data for Concord is Concord+Carlisle. Test & salary data for Dover & Sherborn is Dover-Sherborn.

(4) Source: Commonwealth of Massachusetts Department of Education Website; school district websites and informal telephone survey of school districts.

Per Pupil Expenditures

The Department of Education (DOE) calculates per pupil expenditures using data provided in the end-of-year pupil and financial reports prepared by each school system. As you can see from the charts on the next three pages, per pupil expenditures in Needham are in the middle of the range of comparable communities offering high quality education programs, and less than the state average. Thus, we offer high value per dollar expended.

Per Pupil Expenditures by Function: FY 2010/11:

FY11 Expenditures per Pupil by Function	General Fund Approp (1)	Grants & Revolving	All Fund Total	% of Total	Per Pupil Expenditure	State Average
Administration	3,138,951	105,662	3,244,613	4.38	604.68 (2)	447.78
Instructional Leadership	4,523,369	766,740	5,290,109	7.14	985.89 (2)	829.29
Classroom and Specialist Teachers	25,880,152	1,034,839	26,914,991	36.30	5,016.03 (2)	5,022.50
Other Teaching Services	4,594,754	1,038,782	5,633,536	7.60	1,049.90 (2)	993.12
Professional Development	766,676	95,345	862,021	1.16	160.65 (2)	240.36
Instructional Materials, Equipment and Technology	1,270,977	964,139	2,235,116	3.01	416.55 (2)	430.48
Guidance, Counseling and Testing	2,183,848	108,956	2,292,804	3.09	427.30 (2)	371.89
Pupil Services	1,525,531	3,244,567	4,770,098	6.43	888.98 (2)	1,217.16
Operations and Maintenance	6,336,842	54,966	6,391,808	8.62	1,191.21 (2)	1,062.90
Insurance, Retirement Programs and Other	10,889,738	173,237	11,062,975	14.92	2,061.76 (2)	2,292.56
Payments To Out-Of-District Schools	3,734,502	1,704,807	5,439,309	7.34	64,218.53 (3)	20,490.26
TOTAL EXPENDITURES	64,845,340	9,292,040	74,137,380	100.00	13,601.94 (4)	13,371.25

(1) Includes School Operating Budget, plus Town expenditures on behalf of the schools.

(2) Based on In-District FTE Average Membership = 5,365.8

(3) Based on Out-of-District FTE Average Membership = 84.7

(4) Based on Total FTE Average Membership = 5,450.5

Per Pupil Expenditures by Function: FY09-FY11:

FY11 Expenditures per Pupil by Function	FY09	FY10	FY11	% Chg 08-09	% Chg 09-10	% Chg 10-11
Administration	2,985,758	3,116,139	3,244,613	9.0%	4.4%	4.1%
Instructional Leadership	4,775,393	5,213,002	5,290,109	0.6%	9.2%	1.5%
Classroom and Specialist Teachers	24,647,893	26,486,854	26,914,991	4.8%	7.5%	1.6%
Other Teaching Services	5,063,669	5,689,440	5,633,536	3.4%	12.4%	-1.0%
Professional Development	736,293	943,401	862,021	-2.2%	28.1%	-8.6%
Instructional Materials, Equipment and Technology	2,062,982	2,298,904	2,235,116	-4.4%	11.4%	-2.8%
Guidance, Counseling and Testing	2,109,763	2,271,321	2,292,804	7.0%	7.7%	0.9%
Pupil Services	4,744,328	4,633,256	4,770,098	3.6%	-2.3%	3.0%
Operations and Maintenance	6,148,844	5,898,670	6,391,808	4.1%	-4.1%	8.4%
Insurance, Retirement Programs and Other	9,773,862	10,619,257	11,062,975	9.6%	8.6%	4.2%
Payments To Out-Of-District Schools	4,632,959	4,508,129	5,439,309	15.6%	-2.7%	20.7%
TOTAL EXPENDITURES	67,681,744	71,678,373	74,137,380	5.4%	5.9%	3.4%
Membership						
in-district fte average membership	5,151.54	5,334.70	5,365.80			
out-of-district fte average membership	73.00	75.70	84.70			
Total average membership, in and out of district	5,224.54	5,410.40	5,450.50			
TOTAL EXPENDITURE PER PUPIL	12,955	13,248	13,602			

Comparative Per Pupil Expenditures, FY01-FY11:

FY 2000/01 - 2010/11 Comparative Per Pupil Expenditures

Community	FY 01 (1)	FY 02 (2)	FY 03 (2)	FY 04 (2)	FY 05 (3)	FY 06 (3)	FY 07 (3)	FY 08 (3)	FY 09 (3)	FY 10 (3)	FY 11 (3)
Weston	\$11,018	\$10,909	\$11,404	\$12,077	\$14,414	\$16,073	\$16,467	\$17,017	\$18,023	\$18,591	\$19,360
Dover	\$9,942	\$8,603	\$9,856	\$10,253	\$12,786	\$15,559	\$14,615	\$15,084	\$16,591	\$15,646	\$17,607
Concord	\$10,275	\$9,640	\$10,157	\$10,567	\$13,037	\$14,411	\$15,514	\$17,486	\$16,342	\$16,438	\$16,637
Brookline	\$10,550	\$10,268	\$10,578	\$11,107	\$13,836	\$14,929	\$15,098	\$15,431	\$16,847	\$17,090	\$16,556
Newton	\$10,116	\$10,140	\$11,140	\$11,431	\$13,533	\$13,822	\$14,524	\$15,498	\$16,243	\$16,597	\$16,392
Lexington	\$9,568	\$9,482	\$9,686	\$8,797	\$11,929	\$12,600	\$12,768	N/A	\$15,368	\$15,862	NA
Framingham	\$8,986	\$8,945	\$9,699	\$10,518	\$13,681	\$13,621	\$14,169	\$14,621	\$15,373	\$15,675	\$15,769
Dedham	\$8,783	\$8,524	\$8,761	\$9,488	\$11,637	\$12,594	\$13,393	\$13,893	\$14,837	\$14,852	\$15,459
Wellesley	\$9,298	\$9,244	\$9,589	\$9,802	\$11,243	\$11,494	\$12,776	\$13,916	\$14,330	\$15,392	\$15,421
Sherborn	\$9,936	\$8,195	\$9,211	\$8,992	\$10,061	\$15,559	\$12,250	\$12,700	\$14,121	\$15,784	\$15,129
Wayland	\$8,743	\$8,711	\$10,042	\$9,944	\$11,599	\$12,317	\$13,214	N/A	\$14,342	\$15,219	\$15,121
Westwood	\$8,839	\$8,976	\$9,564	\$9,747	\$11,592	\$11,885	\$12,436	\$13,305	\$13,679	\$13,814	\$13,999
Norwood	\$7,598	\$7,246	\$7,894	\$8,004	\$10,648	\$11,028	\$12,052	N/A	\$12,993	\$12,790	\$13,616
Needham	\$8,847	\$8,434	\$8,721	\$9,004	\$10,788	\$11,291	\$12,070	\$12,552	\$12,955	\$13,245	\$13,602
State	\$7,874	\$8,005	\$8,273	\$8,591	\$10,626	\$11,211	\$11,865	\$12,497	\$13,055	\$13,064	\$13,371
Natick	\$8,364	\$8,088	\$9,319	\$8,637	\$10,290	\$11,092	\$11,829	N/A	\$12,926	\$12,910	\$12,649
Hopkinton	\$6,724	\$7,031	\$8,254	\$8,176	\$9,497	\$10,544	\$11,114	\$11,365	\$11,551	\$11,921	\$12,298
Holliston	\$7,081	\$7,437	\$8,055	\$7,938	\$9,524	\$10,193	\$10,856	\$11,217	\$11,604	\$12,186	\$12,089
Winchester	\$8,390	\$7,937	\$8,278	\$8,646	\$9,884	\$10,139	\$10,886	\$10,865	\$11,290	\$11,363	\$11,822
Walpole	\$6,940	\$7,641	\$7,230	\$7,603	\$9,437	\$10,277	\$10,470	\$11,232	\$11,812	\$11,971	\$11,691
Medfield	\$6,046	\$6,114	\$6,517	\$6,761	\$8,082	\$8,597	\$9,472	\$9,967	\$10,542	\$10,741	\$11,364
Average of 20	FY01 \$8,896	FY02 \$8,551	FY03 (2) \$9,154	FY04 (2) \$9,337	FY05 (3) \$11,339	FY06 (3) \$12,345	FY07 (3) \$12,754	FY08 (3) \$13,450	FY09 (3) \$14,039	FY10 (3) \$14,341	FY11 (3) \$14,498
Needham	8,847	\$8,434	\$8,721	\$9,004	\$10,788	\$11,291	\$12,070	\$12,552	\$12,955	\$13,245	\$13,602
State Average	8,364	\$8,005	\$8,273	\$8,591	\$10,626	\$11,211	\$11,865	\$12,497	\$13,055	\$13,064	\$13,371

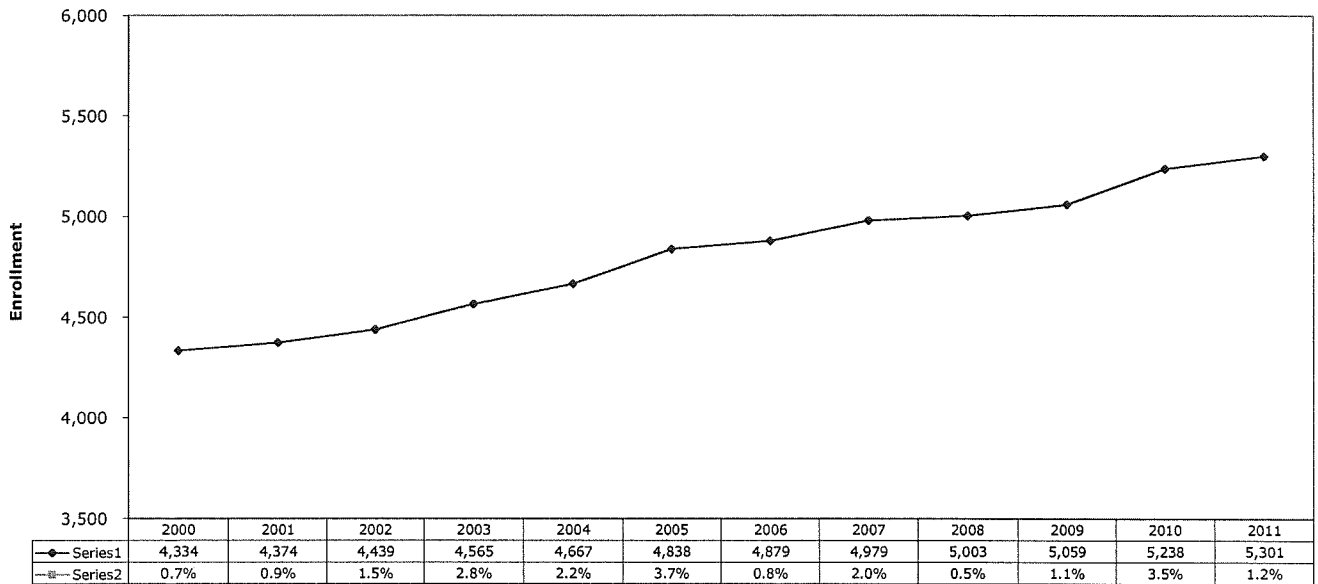
(1) Source: Massachusetts Department of Education. These figures represent "total intergrated education costs" divided by "net average membership," as a measure of "the average cost of education for all children residing in a community, regardless of the district where they attend." Total integrated expenditures include school operating, grant and revolving fund expenditures; all related educational costs incurred by Town Departments (such as benefit and administrative overhead), tuition paid to other schools, and the Minuteman assessment. Net average membership is the sum of pupils in local schools, other public school districts and in special needs day and residential programs.

(2) Source: Massachusetts Department of Education. The integrated Cost Per Pupil calculation was discontinued in FY02. Beginning in FY02, Per Pupil Expenditures exclude children being educated outside of the district. Similarly, tuition, regional district spending, and other payments for out-of-district pupils no longer are factored into the per pupil spending statistic.

(3) Source: Massachusetts Department of Education. Beginning FY05, the per pupil expenditure methodology was changed to include all school-related expenses, including costs for local resident pupils educated out of district and municipal expenses on behalf of the schools. Expenditures also are calculated for specific functional areas.

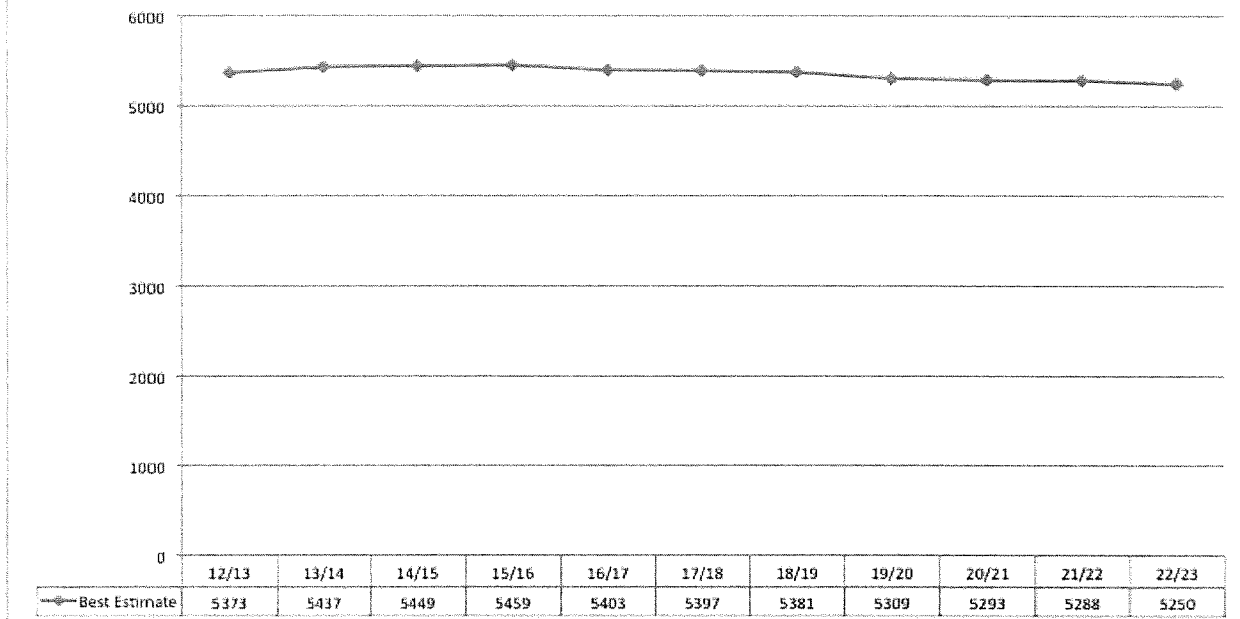
Historical and Projected Enrollment:

Needham Public Schools Enrollment 1999/2000-2010/11
(Excluding Out of District & Preschool Enrollment)

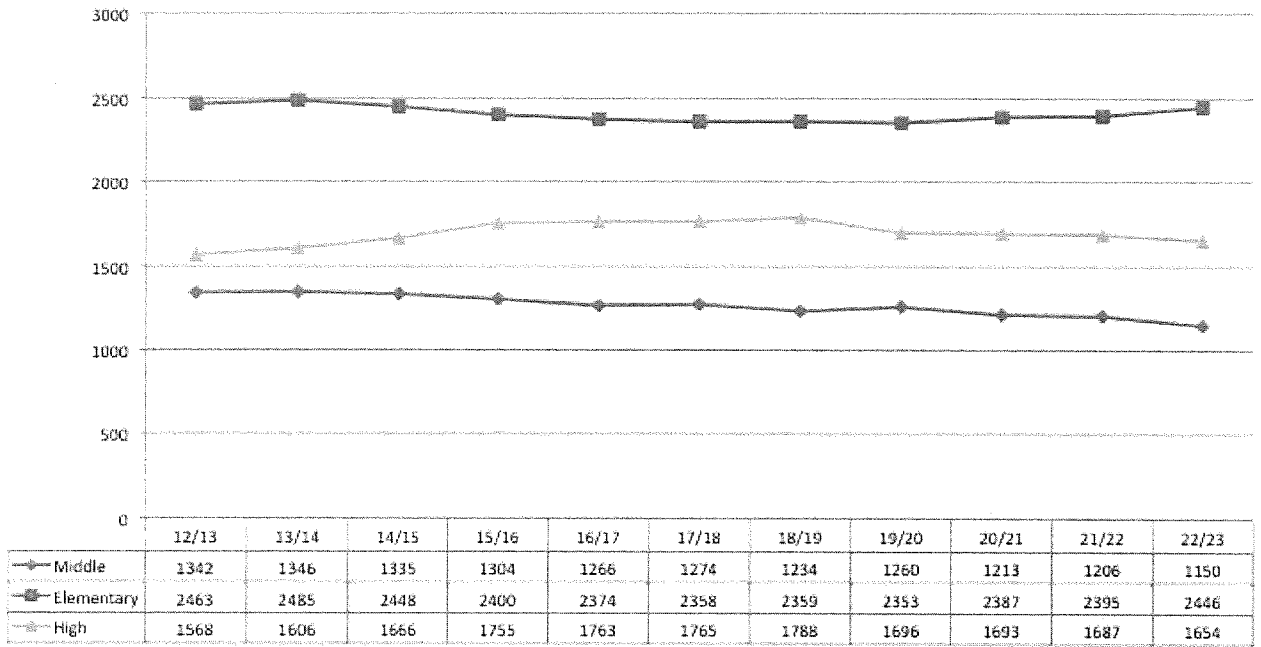


Enrollment in Needham has grown steadily over the past ten years, averaging approximately 1.9% per year, or a total of 921 pupils (20.7%) since FY01/02. For the next several years, enrollment growth is expected to flatten out, driven primarily by slowing or declining enrollments at the elementary level, which are balanced by increasing enrollment at the secondary level. The next two charts depict projected total enrollment through FY23, as well as enrollment by level.

Needham Public School Projected Enrollment 2012/13 - 2022/23
(Excluding Out of District & Preschool Students)

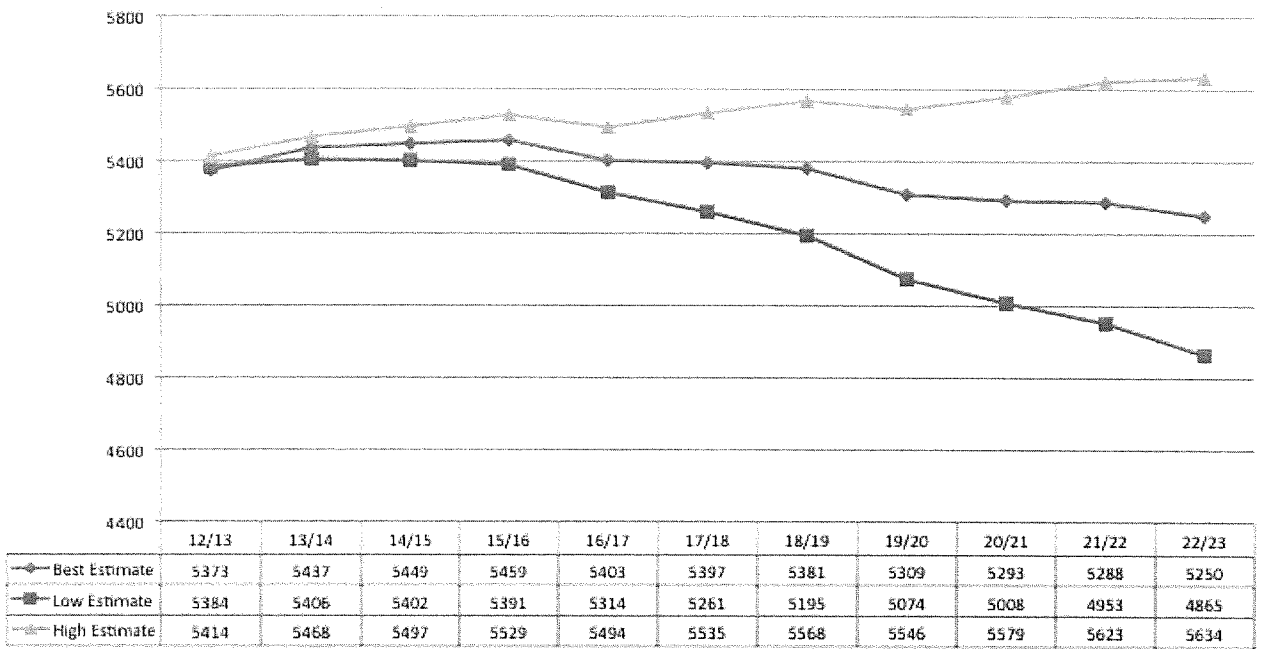


Needham Public School Projected Enrollment 2012/13 - 2022/23 (Excluding Out of District & Preschool Students)



Beyond 2017/18, the projected children have not yet been born and the estimated enrollment projects are based on alternative high, best and low estimates of future births. The projections are intended to show a reasonable range in future years (above and below the best estimate), but there is no guarantee that actual enrollments in any year will be within the high and low estimates. The chart below depicts the range in enrollment projections. Source: Needham Future School Needs Committee

Needham Public School Projected Enrollment 2012/13 - 2022/23 (Excluding Out of District & Preschool Students)



FY13 School Department Enrollment

FY	Elementary	Middle	High	Total	Inc/(Dec)	% Inc/(Dec)
2013 (Budget)	2,463	1,342	1,568	5,373	13	0.2%
2012	2,568	1,270	1,522	5,360	59	1.1%
2011	2,575	1,277	1,449	5,301	63	1.2%
2010	2,617	1,183	1,438	5,238	179	3.5%
2009	2,551	1,104	1,404	5,059	56	1.1%
2008	2,530	1,084	1,389	5,003	24	0.5%
2007	2,487	1,066	1,426	4,979	100	2.0%
2006	2,390	1,090	1,399	4,879	41	0.8%
2005	2,345	1,070	1,423	4,838	171	3.7%
2004	2,203	1,090	1,374	4,667	102	2.2%
2003	2,150	1,069	1,346	4,565	126	2.8%
2002	2,082	1,074	1,283	4,439	65	1.5%
2001	2,109	1,051	1,214	4,374	40	0.9%
2000	2,144	1,000	1,190	4,334	31	0.7%
1999	2,157	992	1,154	4,303	22	0.5%
1998	2,174	943	1,164	4,281	171	4.2%
1997	2,121	907	1,082	4,110	61	1.5%
1996	2,115	898	1,036	4,049	158	4.1%
1995	1,975	910	1,006	3,891	95	2.5%
1994	1,936	891	969	3,796	90	2.4%

(1) Source: FY94-FY12, Needham Public Schools October 1 enrollments. Exclude preschool & out of district students. FY13, Superintendent's Office/ Future School Needs

The budget assumes that total enrollment (excluding preschool and out-of-District students) will grow to 5,373 in FY13, an increase of 13 students (0.2%) over the current year October 1 enrollment of 5,360. When preschool and out-of-district students are included, the budgeted enrollment is 5,504.

All of this growth is projected to occur at the secondary level, however. We project elementary enrollment to decline by 105 students, from 2,568 to 2,463. Secondary enrollment is projected to grow by 118 students, from 2,792 to 2,910. The increase in secondary students reflects the combined increase in middle school students of 72 pupils (from 1,270 to 1,342) and high schools students of 46 students (from 1,522 to 1,568.)

Historical and Projected Enrollment by School:

OCTOBER 1, 2012 PROJECTED NEEDHAM PUBLIC SCHOOL ENROLLMENT																
	Pre-K	K	1	2	3	4	5	6	7	8	9	10	11	12	O-of-D	Total
Preschool	74															74
Broadmeadow		89	83	84	117	87	105									565
Eliot		65	62	54	68	69	70									388
Hillside		74	73	67	63	76	68									421
Mitchell		82	78	77	89	79	85									490
Newman		76	102	102	110	106	103									599
High Rock								491								491
Pollard									438	413						851
High School											419	400	371	378		1568
Out of District															57	57
TOTAL	74	386	398	384	447	417	431	491	438	413	419	400	371	378	57	5504

OCTOBER 1, 2011 NEEDHAM PUBLIC SCHOOL ENROLLMENT																
	Pre-K	K	1	2	3	4	5	6	7	8	9	10	11	12	O-of-D	Total
Preschool	74															74
Broadmeadow		83	84	117	87	105	115									591
Eliot		62	54	68	69	70	86									409
Hillside		73	67	63	76	68	98									445
Mitchell		78	77	89	79	85	74									482
Newman		102	102	110	106	103	118									641
High Rock								438								438
Pollard									413	419						832
High School											400	371	378	373		1522
Out of District															57	57
TOTAL	74	398	384	447	417	431	491	438	413	419	400	371	378	373	57	5491

OCTOBER 1, 2010 NEEDHAM PUBLIC SCHOOL ENROLLMENT																
	Pre-K	K	1	2	3	4	5	6	7	8	9	10	11	12	O-of-D	Total
Preschool	76															76
Broadmeadow		79	116	87	107	117	104									610
Eliot		53	73	69	70	83	61									409
Hillside		61	64	73	72	100	59									429
Mitchell		71	84	81	86	71	81									474
Newman		99	102	112	101	114	125									653
High Rock								448								448
Pollard									424	405						829
High School											380	373	367	329		1,449
Out of District															55	55
TOTAL	76	363	439	422	436	485	430	448	424	405	380	373	367	329	55	5,432

OCTOBER 1, 2009 NEEDHAM PUBLIC SCHOOL ENROLLMENT																
	Pre-K	K	1	2	3	4	5	6	7	8	9	10	11	12	O-of-D	Total
Preschool	79															79
Broadmeadow		105	81	101	114	105	116									622
Eliot		67	67	69	76	58	65									402
Hillside		64	73	67	97	56	68									425
Mitchell		81	84	84	73	82	83									487
Newman		106	113	107	119	125	111									681
High Rock								422								422
Pollard									406	355						761
High School											365	373	330	370		1,438
Out of District															52	52
TOTAL	79	423	418	428	479	426	443	422	406	355	365	373	330	370	52	5,369

Historical and Projected Enrollment by School:

OCTOBER 1, 2008 NEEDHAM PUBLIC SCHOOL ENROLLMENT																
	Pre-K	K	1	2	3	4	5	6	7	8	9	10	11	12	O-of-D	Total
Preschool	70															70
Broadmeadow		79	97	110	103	114	97									600
Elliot		60	69	77	56	63	62									387
Hillside		65	64	85	55	62	69									400
Mitchell		80	82	74	84	81	70									471
Newman		115	103	123	120	113	119									693
Pollard								404	351	349						1,104
High School											378	330	376	320		1,404
Out of District															61	61
TOTAL	70	399	415	469	418	433	417	404	351	349	378	330	376	320	61	5,190

Enrollment Projection Methodology:

Future school enrollments are projected by the Future School Needs Committee (FSNC), an advisory committee to Town Meeting. The following information is excerpted from the FSNC's document entitled "Enrollment Projections for School Years beginning in 2011" (November 5, 2011.)

General Methodology

Projections for grades 1-12 are determined based on the average of retention factors for each grade for the past five years. A retention factor is the enrollment in a given grade this year divided by the enrollment for the preceding grade last year. A retention factor greater than one indicates there are more children in a grade this year than were in the preceding grade last year. For example, the current retention factor for third grade is .9882 which equals 417 (third grade enrollment for 11/12 school year) divided by 422 (second grade enrollment for 10/11 school year). This factor is averaged with the factors from the prior four years to produce the average retention factor this year for third grade of 1.0075.

Census Data and Kindergarten Methodology

The methodology uses the annual census to track pre-school age children in Town to help estimate the number who will be kindergarten eligible each year. We then estimate the percentage that will attend public school upon entering kindergarten. Until 2005, there was a clear increasing trend of public kindergarten attendance (91% in 2004, 89% in 2003, 85% in 2002, 80% in 2001 and 77% in 2000). We indicated three years ago that this trend may be topping out. The figures were 89% for 2005, 90% in 2006 and 85% in both 2007 and 2008. The figure for 2009 jumped to 92% and the figure for 2010 was 89%. The estimated figure this year is 91%. We again used a figure of 90% in our projections this year.

The accuracy of the overall projections is based largely on the accuracy of kindergarten. The following table demonstrates our kindergarten results over the past 14 years.

Year	Projected	Actual	Proj. - Actual
2011	408	398	10
2010	386	363	23
2009	404	423	(19)
2008	385	399	(14)
2007	410	380	30
2006	447	456	(9)
2005	405	414	(9)

2004	422	433	(11)
2003	366	394	(28)
2002	347	383	(36)
2001	337	339	(2)
2000	346	346	0
1999	338	323	15
1998	365	315	50

There are several items that should be pointed out from the above chart. First, kindergarten is extremely difficult to estimate and the results can vary significantly from year to year. It is unreasonable to expect to be consistently within 10 students. Second, although the first year of the revised methodology (1998) produced a difference of 50 students, it was a better estimate than the prior methodology would have produced. Third, when a trend begins or changes our figures will tend to lag for several years before catching up.

We analyze census data each year in determining our projections. We continue to track the census until January 1 of the year following the entrance of kindergarten (we assume for this purpose that the number of children in a grade will be the same on a given September 1 and the following January 1).

Our methodology reflects our best estimate for the projected number of children eligible for kindergarten in September 2012. To do this we used our estimate of 90% for public kindergarten enrollment and a METCO kindergarten enrollment of 12 students. We assumed that the children eligible for kindergarten in September 2012 would increase to 413 (an increase from the current level of 386 as of 1/1/11). This estimate is based on our analysis of town census data (net in-migration) over the past five years at the pre-school ages. Assuming 90% of the 413 attend public school and there are 12 METCO kindergartners, there would be 384 kindergartners in 2012 ($413 \times .90 + 12 = 384$).

For years beyond 2014, we used a factor of 1.30 times the number of births to estimate the number of kindergarten students. This factor is based on an approximation using the actual and estimated ratios from 2008 through 2014 and is somewhat higher than last year's figure of 1.24.

Effect of Alternative Kindergarten and Future Birth Assumptions

The assumed values for kindergarten enrollment each year have a significant impact on the long-term projections. We become less confident of our kindergarten estimates (and correspondingly our total estimates) as we move further away from the January 1, 2011 data. By the time we reach the kindergarten estimate for the school year 2017/2018 and beyond, the children have not yet been born and our calculation is based entirely on estimates of future births. In addition to our best estimate projection, we are providing low end and high end projections based on alternative assumptions. These projections are intended to show a reasonable range in future years (both above and below our estimate), but there is no guarantee that the actual enrollments in any year will be within the low and high estimates.

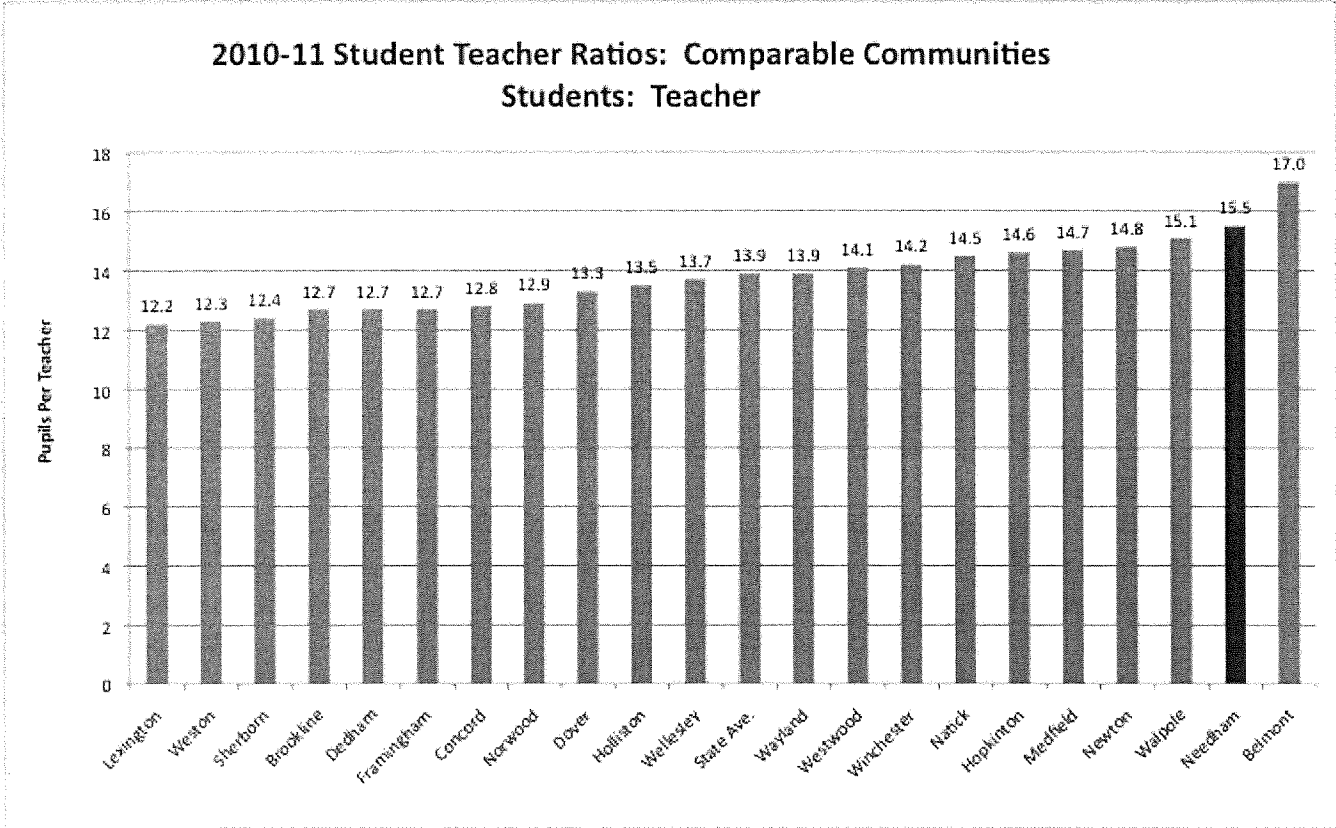
For alternative kindergarten assumptions, we assumed low-end enrollment would be 15 students less than the figures on our spreadsheet for school years beginning in 2012, 2013, and 2014. We assumed it would be 20 students lower than expected in 2015 and beyond. For the high-end assumption, we assumed enrollment would be 15 students greater than the figures on our spreadsheet for the school years beginning in 2012, 2013, and 2014 and 20 students greater than expected in 2015 and beyond.

The range for kindergarten was coupled with birth assumptions after fiscal year 2011 of 276 children each year (low-end) and 316 children each year (high-end). This was determined as a difference of 20 (plus or minus) from the estimated births beyond fiscal year 2012 of 296.

Staffing Ratios and FTE:

Staffing Ratios

The high value per dollar expended of Needham education also is demonstrated by the following staffing ratio charts, which show that, in FY11, there are more students assigned to each teacher in Needham, on average, than in most surrounding communities and in the state, overall. Needham's average student to teacher ratio (15.5:1, which includes special education classrooms) also is higher than the state-wide average ratio (13.9:1.) Source: MA Department of Education



School Personnel by Budget Component and Fund:

<u>FTEs by Fund and Position Type</u>	<u>FY09 Actual</u>	<u>FY10 Actual</u>	<u>FY11 Actual</u>	<u>FY12 Budget</u>	<u>FY13 Budget</u>	<u>\$ Inc/(Dec)</u>	<u>% Inc/(Dec)</u>	<u>% TL FY13</u>
<u>Operating</u>								
Administrators	32.24	33.79	33.80	33.90	37.67	3.77	11.1%	5.8%
Teachers	409.56	416.49	416.61	423.90	435.96	12.06	2.8%	67.2%
Aides	111.12	119.87	116.03	106.31	111.85	5.54	5.2%	17.2%
Clerical (and Bus)	<u>55.37</u>	<u>55.42</u>	<u>55.06</u>	<u>60.27</u>	<u>63.00</u>	<u>2.73</u>	<u>4.5%</u>	<u>9.7%</u>
Grand Total	608.29	625.57	621.50	624.38	648.48	24.10	3.9%	100.0%
<u>Grant</u>								
Administrators	4.00	4.00	4.10	4.00	4.33	0.33	8.3%	11.2%
Teachers	12.17	16.80	12.84	11.47	11.57	0.10	0.9%	29.8%
Aides	23.13	25.20	23.67	31.30	20.90	-10.40	-33.2%	53.9%
Clerical (and Bus)	<u>3.00</u>	<u>4.43</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>0.00</u>	<u>0.0%</u>	<u>5.2%</u>
Grand Total	42.30	50.43	42.61	48.77	38.80	-9.97	-20.4%	100.0%
<u>Revolving</u>								
Administrators	5.02	5.84	5.63	5.63	6.34	0.71	12.6%	8.6%
Teachers	8.55	9.25	8.41	9.08	8.25	-0.83	-9.1%	11.2%
Aides	37.37	45.04	46.83	42.53	52.33	9.80	23.0%	71.2%
Clerical (and Bus)	<u>5.25</u>	<u>5.09</u>	<u>6.13</u>	<u>7.84</u>	<u>6.56</u>	<u>-1.28</u>	<u>-16.3%</u>	<u>8.9%</u>
Grand Total	56.19	65.22	67.00	65.08	73.48	8.40	12.9%	100.0%
<u>Capital</u>								
Administrators	0.00	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
Teachers	0.00	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
Aides	0.00	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
Clerical (and Bus)	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.0%</u>	<u>0.0%</u>
Grand Total	0.00	0.00	0.00	0.01	0.01	0.00	0.0%	100.0%
<u>Total</u>								
Administrators	41.26	43.63	43.53	43.53	48.34	4.81	11.0%	6.4%
Teachers	430.28	442.54	437.86	444.45	455.78	11.33	2.5%	59.9%
Aides	171.62	190.11	186.53	180.14	185.08	4.94	2.7%	24.3%
Clerical (and Bus)	<u>63.62</u>	<u>64.94</u>	<u>63.19</u>	<u>70.11</u>	<u>71.56</u>	<u>1.45</u>	<u>2.1%</u>	<u>9.4%</u>
Grand Total	706.78	741.22	731.11	738.23	760.76	22.53	3.1%	100.0%

School Personnel by Budget Component and Fund:

<u>FTE By Fund</u>	<u>FY09 Actual</u>	<u>FY10 Actual</u>	<u>FY11 Actual</u>	<u>FY12 Budget</u>	<u>FY13 Budget</u>	<u>\$ Inc/(Dec)</u>	<u>% Inc/(Dec)</u>	<u>% TL FY13</u>
<u>Operating</u>								
Fund 1000 (General Fund)	608.29	625.57	621.50	624.38	648.48	24.10	3.9%	85.2%
Subtotal	608.29	625.57	621.50	624.38	648.48	30.03	4.9%	85.2%
<u>Grant</u>								
Fund 2003 (Federal Grant)	27.30	37.56	31.46	37.72	27.75	-9.97	-26.4%	3.6%
Fund 2004 (State Grant)	14.00	12.87	11.15	11.05	11.05	0.00	0.0%	1.5%
Fund 2552 (Local Grant)	1.00	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
Subtotal	42.30	50.43	42.61	48.77	38.80	-9.97	-20.4%	5.1%
<u>Revolving</u>								
Fund 2303 (Transportation)	1.50	1.29	1.29	1.50	1.50	0.00	0.0%	0.2%
Fund 2350 (General Fee)	26.12	30.38	27.66	30.46	29.93	-0.53	-1.7%	3.9%
Fund 2351 (Athletics)	0.00	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
Fund 2550 (Food Service)	27.32	32.39	36.89	31.96	40.85	8.89	27.8%	5.4%
Fund 2551 (Adult Education)	1.25	1.16	1.16	1.16	1.20	0.04	3.4%	0.2%
Fund 2553 (Staff Development)	0.00	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
Subtotal	56.19	65.22	67.00	65.08	73.48	8.40	12.9%	9.7%
<u>Capital</u>								
Capital Fund	0.00	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
Subtotal	0.00	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
Grand Total	706.78	741.22	731.11	738.23	760.76	22.53	3.1%	100.0%
<u>FTE By Fund</u>	<u>FY09 Actual</u>	<u>FY10 Actual</u>	<u>FY11 Actual</u>	<u>FY12 Budget</u>	<u>FY13 Budget</u>	<u>\$ Inc/(Dec)</u>	<u>% Inc/(Dec)</u>	<u>% TL FY13</u>
<u>Total</u>								
Operating	608.29	625.57	621.50	624.38	648.48	24.10	3.9%	85.2%
Grant Special Revenue	42.30	50.43	42.61	48.77	38.80	-9.97	-20.4%	5.1%
Revolving Special Revenue	56.19	65.22	67.00	65.08	73.48	8.40	12.9%	9.7%
Capital	0.00	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
Grand Total	706.78	741.22	731.11	738.23	760.76	22.53	3.1%	100.0%

Plans of High School Graduates:

Year	Number of Graduates	Four Year Colleges (%)	Two Year Colleges (%)	Military (%)	Work (%)	Other (%)	Gap Yr (%)
2011	328	93.3	1.5	0.0	1.0	2.4	1.8
2010	357	93.4	3.1	0.3	1.0	2.2	0.0
2009	304	93.0	0.7	0.0	1.0	5.2	0.0
2008	339	93.0	1.5	0.6	2.1	2.7	0.0
2007	323	94.0	1.0	0.0	1.0	4.0	0.0
2006	320	93.0	0.9	0.6	1.9	1.6	0.0
2005	332	90.3	3.0	0.6	4.5	1.6	0.0
2004	289	90.3	4.2	0.3	4.1	1.1	0.0
2003	301	92.0	2.7	0.3	3.4	1.6	0.0
2002	260	85.7	5.0	1.5	6.6	1.2	0.0
2001	272	88.2	2.6	3.0	3.3	2.9	0.0

Source: Needham Public Schools, Office of Student Development & Program Evaluation

State and National Testing Results:

Ten Year Comparison of SAT Scores:

Test/ Region	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Writing	This test was first administered in 2006										
Needham						589	591	612	598	610	593
State						510	511	513	510	509	509
National						497	494	494	494	492	489
Critical Reading											
Needham	586	577	577	586	587	586	588	594	594	602	592
State	511	512	516	518	520	513	513	514	514	512	497
National	506	504	507	508	508	503	502	502	501	501	513
Math											
Needham	603	596	596	597	598	594	590	602	603	610	595
State	515	516	522	523	520	524	522	525	526	526	514
National	514	516	519	518	523	518	515	515	515	516	527
Combined											
Needham	1189	1173	1173	1183	1185	1769	1769	1808	1795	1822	1780
State	1026	1028	1038	1041	1040	1547	1546	1552	1550	1547	1520
National	1020	1020	1026	1026	1031	1518	1511	1511	1510	1509	1529

Source: Needham Public Schools, Office of Student Development & Program Evaluation

Massachusetts Comprehensive Assessment System (MCAS) Test Score Summary:

The purpose of the MCAS tests is to increase student achievement and improve instructional practice across all grades. All fourth, eighth, and tenth grade students are required to take these tests under the 1993 Education Reform Law. The tests are based on newly established learning standards for all public schools in the Commonwealth of Massachusetts. The tests were administered for the first time in 1998.

MCAS Language Arts:

Grade/ Year [™]	Enrolled	% Tested	Advanced (%)	Proficient (%)	Needs Imp'vment (%)	Failing/ Warning (%)
10-2011	Needham	100	59	37	2	2
	State	100	33	51	13	3
08-2011	Needham	100	42	52	5	1
	State	100	20	59	15	6
07-2011	Needham	100	35	56	8	1
	State	100	14	59	21	6
06-2011	Needham	100	39	52	8	1
	State	100	17	51	23	9
05-2011	Needham	101	31	54	14	2
	State	100	17	50	24	9
04-2011	Needham	100	13	57	24	6
	State	100	10	43	35	12
03-2011	Needham	100	19	62	16	3
	State	100	11	50	30	9
10-2010	Needham	100	51	42	5	2
	State	100	26	52	18	4
08-2010	Needham	99	32	61	5	1
	State	101	17	61	16	7
07-2010	Needham	100	27	64	7	2
	State	100	11	61	21	7
06-2010	Needham	100	30	59	9	2
	State	99	15	54	21	9
05-2010	Needham	101	27	57	15	2
	State	101	16	47	28	10
04-2010	Needham	101	19	54	26	2
	State	101	11	43	35	12
03-2010	Needham	100	25	58	14	3
	State	101	14	49	30	8
10-2009	Needham	100	59	37	3	1
	State	100	29	52	15	4
08-2009	Needham	100	25	70	4	1
	State	99	15	63	15	6
07-2009	Needham	100	29	61	9	1
	State	100	14	56	23	7
06-2009	Needham	99	31	55	11	2
	State	99	16	50	24	9
05-2009	Needham	99	26	58	14	1
	State	100	15	48	29	8
04-2009	Needham	100	16	53	28	3
	State	99	11	42	35	11
03-2009	Needham	100	21	53	24	2
	State	100	12	45	33	10

Source: Needham Public Schools, Office of Student Development & Program Evaluation

MCAS Mathematics:

Grade/ Year	Enrolled	% Tested	Advanced (%)	Proficient (%)	Needs Imp'vment (%)	Failing/ Warning (%)
10-2011	Needham	100	77	16	4	3
	State	100	48	29	16	7
08-2011	Needham	100	41	39	13	7
	State	101	23	29	27	22
07-2011	Needham	101	43	38	13	7
	State	100	19	32	27	22
06-2011	Needham	100	48	35	12	5
	State	99	26	32	25	16
05-2011	Needham	100	37	39	20	4
	State	100	25	34	26	15
04-2011	Needham	100	24	40	31	5
	State	100	15	32	42	11
03-2011	Needham	100	22	60	15	3
	State	101	14	52	25	10
10-2010	Needham	99	77	15	5	2
	State	99	50	25	17	7
08-2010	Needham	100	46	36	12	6
	State	100	22	29	28	21
07-2010	Needham	100	26	58	11	5
	State	99	14	39	27	19
06-2010	Needham	101	44	35	15	7
	State	100	27	32	25	16
05-2010	Needham	100	39	37	19	5
	State	100	25	30	28	17
04-2010	Needham	100	24	40	33	3
	State	100	16	32	41	11
03-2010	Needham	100	44	38	15	3
	State	100	25	40	24	11
10-2009	Needham	100	80	13	5	2
	State	100	46	28	18	8
08-2009	Needham	100	43	39	13	5
	State	99	20	28	28	23
07-2009	Needham	99	36	39	19	5
	State	100	16	33	30	21
06-2009	Needham	100	39	39	17	5
	State	100	24	33	27	16
05-2009	Needham	100	39	37	21	3
	State	101	22	32	29	18
04-2009	Needham	100	22	43	32	3
	State	100	16	32	41	11
03-2009	Needham	99	33	45	15	6
	State	100	20	40	25	15

Source: Needham Public Schools, Office of Student Development & Program Evaluation

MCAS Science & Technology:

Grade/ Year	Enrolled	% Tested	Advanced (%)	Proficient (%)	Needs Improvement (%)	Failing (%)
05-2011	Needham	100	16	46	33	5
	State	101	14	36	36	15
08-2011	Needham	101	7	46	43	5
	State	100	4	35	42	19
10-2011	Needham	100	40	51	8	1
	State	101	20	47	27	7
05-2010	Needham	100	19	55	25	1
	State	100	15	38	36	11
08-2010	Needham	100	10	54	32	4
	State	100	4	36	41	19
10-2010	Needham	100	38	52	8	2
	State	101	18	47	28	8
05-2009	Needham	100	20	41	36	3
	State	100	17	32	39	12
08-2009	Needham	100	10	54	31	5
	State	100	4	35	40	21
10-2009	Needham	100	46	42	11	1
	State	99	16	45	29	9

Source: Needham Public Schools, Office of Student Development & Program Evaluation

Class of 2011 Profile: Schools Attended by G.P.A. & SAT

5.0-4.75(CR722,M748,W763)

American University
Amherst College (2)
Bates College
Brown University (2)
Carleton College
Colgate University
Cornell University
Harvard University
Northeastern University (2)
Princeton University
University of Notre Dame (2)
University of Richmond
Wesleyan University (2)
Williams College
Yale University

4.74-4.50(CR707,M713,W723)

American University (2)
Bard College
Bates College
Colby College (2)
College of the Holy Cross (2)
College of William and Mary (2)
Colorado College
Cornell University
Fordham University
Franklin W. Olin College of
Engineering (2)
Northwestern University
Skidmore College
The College of Wooster
The George Washington University
(2)
Tufts University (2)
Tulane University (2)
University of California at Berkeley
University of Edinburgh (Scotland)
University of Massachusetts,
Amherst
University of Michigan
University of Rochester (2)
University of Southern California
Villanova University
Washington University in St. Louis

4.49-4.25(CR650,M668,W660)

Bates College
Bentley University
Boston University
Bridgewater State University
Bucknell University
Carnegie Mellon University
Claremont McKenna College

Connecticut College

Fairfield University
Fashion Institute of Technology
Florida State University
George Mason University
Hobart and William Smith Colleges
Lafayette College (2)
Lehigh University
Merrimack College
New York University (3)
Northeastern University (2)
Oberlin College
Occidental College
Pennsylvania State University
Siddartha Institute (India)
Skidmore College
Syracuse University
Tufts University
Tulane University
Union College
University of Connecticut
University of Delaware (2)
University of Massachusetts,
Amherst (3)
University of Michigan
University of Vermont
University of Washington
Villanova University
Washington University in St. Louis
Wentworth Institute of Technology
Wesleyan University
Worcester Polytechnic Institute

4.24-4.0 (CR604,M627,W626)

American University
Babson College
Bard College
Boston College (3)
Boston University (2)
Bridgewater State University
Case Western Reserve University
Colby-Sawyer College
Connecticut College
Drexel University
Eckerd College
Elon University
Franklin W. Olin College of
Engineering
Goucher College
Hofstra University
Indiana University at Bloomington
Ithaca College
Marist College
Maryland Institute College of Art
Massachusetts College of Art &
Design
Miami University, Oxford (2)

Northeastern University (2)
Pratt Institute
Providence College
Rensselaer Polytechnic Institute
Saint Anselm University
Simmons College
Skidmore College (2)
Smith College
Syracuse University
Temple University
The George Washington University
Tulane University
Union College (2)
University of Colorado at Boulder
University of Delaware (3)
University of Maryland, College
Park (2)
University of Massachusetts,
Amherst (6)
University of Michigan
Wheaton College
Worcester Polytechnic Institute

3.99-3.75 (CR583,M587,W588)

Arizona State University
Binghamton University (2)
Brigham Young University, Idaho
Bryant University
Clemson University
College of Charleston
Elon University
Fairfield University (4)
Global College at Long Island
University
Green Mountain College
Manhattan College
Manhattanville College
Muhlenberg College
Pennsylvania State University,
University Park
Santa Clara University
Suffolk University
Syracuse University
The George Washington University
(2)
The University of Arizona
Union College (2)
University of Delaware
University of Massachusetts,
Amherst (7)
University of New Hampshire (2)
University of South Carolina (2)
Wheaton College

Class of 2011 Profile: Schools Attended by G.P.A. & SAT

3.74-3.50(CR573,M569,W564)

Bay State College
Boston University
Brandeis University
Brigham Young University
City University of New York
Fairfield University
Hampshire College
High Point University
Hofstra University
Ithaca College
Keene State College
Massachusetts College of Pharmacy
& Health Sciences
New York University
Northeastern University
Ohio Wesleyan University
Rose-Hulman Institute of
Technology
Saint Michaels College
University of Delaware
University of Hartford
University of Massachusetts,
Amherst (2)
University of New Hampshire
University of Pittsburgh
University of South Carolina
University of Vermont
Wentworth Institute of Technology
Westfield State College

3.49&Below(CR512,M510,W499)

Anna Maria College (2)
Appalachian State University
Bay State College
Becker College
Bridgewater State University
Bryant University (2)
Champlain College
Coastal Carolina University (2)
Colby-Sawyer College
Curry College
Dean College
Emmanuel College (3)
Fairfield University (3)
Fisher College
Framingham State University (2)
Franklin Pierce University (2)
Ithaca College
Johnson & Wales University (4)
Lesley University
Marymount Manhattan College (2)
Massachusetts Bay Community
College (2)
Massachusetts College of Art &
Design
Massasoit Community College

Merrimack College
Newbury College (2)
Northeastern University
Paine College
Parsons The New School for Design
Quinnipiac University
Roger Williams University (4)
Santa Monica College
Siena College
Southern New Hampshire University
Springfield College
St. John's University – Queens
State University of New York at
Albany
Stonehill College
Suffolk University (2)
The College of Wooster
University of Bridgeport
University of Colorado at Boulder
University of Connecticut
University of Hartford
University of Massachusetts,
Amherst (2)
University of Massachusetts, Boston
(2)
University of Massachusetts, Lowell
(2)
University of North Carolina at
Charlotte
University of Rhode Island (3)
Westfield State University (3)
Wheelock College (2)

Grants Summary: FY01 - FY11

GRANT SUMMARY	FY '01	FY '02	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY '09	FY '10	FY '11
MA DOE - Entitlement	\$1,311,325	\$1,650,684	\$1,777,928	\$1,780,064	\$1,930,409	\$2,058,483	\$2,177,913	\$2,206,476	\$2,186,856	\$2,203,163	\$2,201,943
MA DOE - ARRA Entitlement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$643,484	\$1,188,803	\$1,287,891
MA DOE - Competitive/Continuation	\$254,165	\$213,975	\$185,789	\$147,838	\$84,047	\$34,805	\$19,600	\$12,700	\$12,100	\$10,900	\$17,300
Other/ Foundation	\$262,774	\$263,078	\$216,412	\$204,240	\$166,950	\$234,555	\$362,597	\$382,454	\$285,061	\$202,446	\$388,450
Total All Grants	\$1,828,264	\$2,127,737	\$2,180,129	\$2,132,142	\$2,181,406	\$2,327,843	\$2,560,110	\$2,601,630	\$3,127,501	\$3,605,312	\$3,895,584
% increase over previous year total	39%	16%	2%	-2%	2%	7%	10.0%	1.6%	20.2%	15.3%	8.1%

GRANT DETAIL

Mass DOE -- State/Federal Entitlement	FY '01	FY '02	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY '09	FY '10	FY '11
SPED 94-142 (Federal)	377,230	\$562,643	\$688,820	\$825,667	\$956,645	\$1,027,201	\$1,033,324	\$1,059,524	\$1,081,786	\$1,156,627	\$1,196,241
SPED Early Childhood Education	36,010	\$36,777	\$36,735	\$36,443	\$36,215	\$35,967	\$35,971	\$36,007	\$35,079	\$35,108	\$35,177
SPED Supporting Access to the Curriculum	35,939	\$44,850	\$48,015	\$35,952	\$25,121	\$15,000	\$42,752	\$29,885	\$16,417	\$0	\$0
NETCO	603,640	\$621,160	\$624,040	\$573,160	\$633,475	\$736,821	\$838,128	\$870,157	\$839,875	\$798,641	\$766,561
TITLE IID - Technology*	12,076	\$12,798	\$7,761	\$5,555	\$5,181	\$3,833	\$1,927	\$2,022	\$2,276	\$2,278	\$0
Title IA - Improving Educator Quality*			\$85,040	\$84,317	\$80,937	\$80,680	\$79,005	\$79,473	\$82,135	\$82,448	\$81,328
Title V - Innovative Programs*			\$13,200	\$12,936	\$9,862	\$6,776	\$3,396	\$3,460	\$0	\$0	\$0
Title IV -- Safe and Drug Free Schools*	20,806	\$20,276	\$18,488	\$16,897	\$16,014	\$15,390	\$14,679	\$13,384	\$13,628	\$11,809	\$5,476
Title I (academic assistance - low-income students)	85,505	\$171,862	\$209,262	\$140,968	\$106,846	\$96,106	\$80,647	\$80,433	\$81,840	\$88,343	\$89,969
LEP Summer Support/ Title III											
Class Size Reduction Program	34,390	\$42,549	Now IIA&V				\$12,000				\$2,953
SPED Corrective Action					\$6,000						
SPED Program Review (audit prep)			\$3,500								
Early Childhood Curriculum/IEP Study Group			\$3,285								
Early Childhood Increasing Capacity			\$7,000	\$0							
Early Childhood Mental Health			\$395								
Limited English Proficient Assessments											
Title I for Delinquent/Neglected* - Walker School		\$28,337	\$32,387	\$48,169	\$54,113	\$40,709	\$36,084	\$32,131	\$33,820	\$27,909	\$24,238
ARRA - SFSF Recovery Grant									\$643,484	\$580,867	\$457,937
ARRA - IDEA Special Education (School Age)										\$580,984	\$803,002
ARRA - IDEA Special Education (Preschool)										\$26,952	\$26,952
Education Jobs											\$0
Subtotal	\$1,311,325	\$1,650,684	\$1,777,928	\$1,780,064	\$1,930,409	\$2,058,483	\$2,177,913	\$2,206,476	\$2,830,340	\$3,391,966	\$3,489,834

* all federal grants require equitable participation by Needham private schools -- St. Joseph's Elementary and Middle Schools, and Walker School are participating in Title IIA, Title IID, Title IVA, Title V. Walker School also generated an additional Title I appropriation, as noted. St. Sebastian's elected not to participate.

Massachusetts DOE -- State/Federal Competitive	FY '01	FY '02	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY '09	FY '10	FY '11
Technology Enhancement*			\$119,549	\$119,549							
Academic Support Services (MCAS Tutoring)	36,100	\$28,700	\$31,400	\$10,000	\$2,553	\$3,830	\$4,700	\$12,700	\$12,100	\$10,900	\$9,800
Community Service Learning	16,000	\$16,000	\$16,000	\$12,000	\$12,000						
Full-Day Kindergarten Enhancement	18,000	\$18,000	\$15,840	\$15,089	\$29,494	\$14,975	\$14,900				
Early Childhood Mental Health					\$40,000	\$16,000					
Early Childhood Language & Literacy Development											\$7,500
Project FOCUS: Empowering SPED		\$0	\$3,000								
Subtotal	\$254,165	\$213,975	\$185,789	\$147,838	\$84,047	\$34,805	\$19,600	\$12,700	\$12,100	\$10,900	\$17,300

* Of the \$119,549, \$73,000 supported a West Roxbury/Needham music technology project partnership, with \$27,000 goes to Boston Public Schools for equipment. The remaining \$19,549 was available to the private schools (St. Joseph's Elementary and Middle Schools, Walker School) for NCLB technology initiatives.

Grants Summary: FY01 -FY11

OTHER GRANTS	FY '01	FY '02	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY '09	FY '10	FY '11
Corporate			\$60,000								
Mass Insight/Microsoft/Lesley test data analysis software donation											
Higher Education											
Harvard Volunteer Consulting Team	In-kind										
Olin College											
Foundation											
MetroWest Community Health Care Foundation	46,000	\$50,000		\$35,135	\$10,000	\$55,000	\$55,000	\$55,000	\$25,000	\$0	\$59,500
MetroWest Obesity Grant						\$32,650	\$32,650				
Needham Education Foundation Spring grants	73,174	\$44,376	\$75,135	\$57,710	\$38,754	\$32,252	\$30,923	\$26,769	\$57,592	\$29,191	\$73,410
Needham Education Foundation Autumn grants				\$22,791	\$33,477	\$28,941	\$39,207	\$65,240	\$40,342	\$51,895	\$28,276
Needham Education Foundation large grants	28,100	\$15,000	\$15,000	\$30,000	\$26,115	\$54,313	\$30,000	\$45,000	\$13,927	\$0	\$61,394
Needham Education Foundation Collaborative Init.							\$10,000	\$10,000	\$0	\$0	\$0
Needham Education Found Out of Cycle							\$9,000				
Jason Foundation											
MA Biotechnology Ed Found BioTech Award							\$8,800	\$1,200	\$0	\$0	\$0
Smart Technologies							\$22,872	\$23,600	\$0	\$0	\$0
Needham Cong Church-Steps to Success							\$18,000				
Norfolk County District Attorney's Office											
Post-Graduation Safe Activities		\$250	\$250				\$250	\$250	\$0	\$0	\$0
MA Department of Public Health											
Enhanced School Health Services	106,000	\$106,000	\$66,027	\$58,604	\$58,604	\$64,049	\$72,395	\$72,395	\$148,000	\$121,360	\$121,360
DPH Public Health (Pass Through)								\$25,000	\$0	\$0	\$0
U.S. Department of Education											
Project SERV - Suicide							\$25,500				
U.S. Environmental Protection Agency											
Environmental Education - Science Center											\$44,510
MA Cultural Council											
Creative Schools Program							\$8,000	\$8,000			
Yellow Bus		\$11,452							\$200		
MA Travel & Tourism (Riverside Contract)								\$50,000			
Subtotal	\$262,774	\$263,078	\$216,412	\$204,240	\$166,950	\$234,555	\$362,597	\$382,454	\$285,061	\$202,446	\$388,450

Revolving (Fee-Based) Funds Summary: FY09 - FY11

REVOLVING FUND	FY09 CURRENT REVENUE	FY09 TOTAL EXPENDED	FY09 ENDING BALANCE	FY10 CURRENT REVENUE	FY10 TOTAL EXPENDED	FY10 ENDING BALANCE	FY11 CURRENT REVENUE	FY11 TOTAL EXPENDED	FY11 ENDING BALANCE	NOTE
FEE BASED TRANSPORTATION	474,726	457,415	460,620	439,593	420,384	479,828	488,077	454,338	523,567	F (1)
PRODUCTION CENTER FEE-BASED	12,559	15,410	7,005	13,365	-	20,370	11,547	31,384	534	
BROADMEADOW LEASE	9,592	9,592	0	9,304	9,304	0	9,629	9,629	0	
BROADMEADOW BOOK/EQUIPMENT	-	-	0	-	-	0	-	-	0	
ELIOT LEASE	7,031	7,031	0	7,192	7,192	0	8,734	8,734	0	
ELIOT BOOK/EQUIPMENT SALES	705	646	398	604	539	463	781	795	449	
HILLSIDE LESLEY INTERNS	43,500	29,573	16,865	28,120	39,746	5,239	47,720	48,470	4,488	
HILLSIDE BOOK/EQUIPMENT SALES	-	-	-	-	-	-	603	-	603	
MITCHELL LEASE	12,260	11,860	400	12,709	13,109	-	13,488	13,488	0	
NEWMAN LEASE	13,590	13,817	1	15,617	15,617	1	10,266	10,266	1	
NEWMAN BOOK/EQUIPMENT SALE	946	909	38	911	-	948	932	949	932	
HIGH ROCK LOST BOOKS	-	-	162	-	-	162	28	-	190	
HIGH ROCK OVERNIGHT CAMP	-	-	4,568	93,952	98,366	154	107,426	107,426	224	
HIGH ROCK BOOK/EQUIPMENT SALES	93,374	88,809	1,474	2,060	-	3,534	2,125	1,626	4,034	
POLLARD JAPAN EXCHANGE	1,490	3,333	662	-	-	662	-	-	662	
POLLARD BOOK/EQUIPMENT SALES	9,961	5,569	2,948	3,551	3,324	3,175	4,735	3,562	4,348	
POLLARD LOST BOOKS	709	2,500	324	759	341	742	961	100	1,603	
HIGH SCHOOL TESTING	50,025	48,457	8,757	53,941	53,560	9,138	48,419	53,107	4,450	
HIGH SCHOOL BOOK/EQUIPMENT SALES	7,651	3,238	1,004	5,770	5,703	1,220	6,620	6,573	1,267	
HIGH SCHOOL LOCKERS	-	-	1,004	-	-	1,004	-	-	1,004	
HIGH SCHOOL TEXTBOOK RECOVERY	2,495	4,872	6,273	2,788	3,571	5,490	926	2,296	4,119	
HIGH SCHOOL PARKING	-	2,138	2,687	4,376	6,060	1,003	6,025	4,892	2,136	
HIGH SCHOOL NON-RESIDENT TUITION	16,928	1,277	15,863	-	5,286	10,577	8,535	9,100	10,012	
SPEED OUT-OF-DISTRICT TUITION	48,455	48,460	279	22,548	17,748	5,079	4,756	9,556	279	
SPEED NON-RESIDENT TUITION	65,927	63,952	2,158	74,100	64,261	11,998	81,370	69,081	24,286	
INTEGRATED PRESCHOOL	176,721	132,416	46,459	296,564	235,184	107,838	216,714	221,630	102,922	F (2)
SCIENCE CENTER	20	220	1,270	-	285	985	-	50	935	
MEDIA RECOVERY	2,186	1,115	2,371	2,143	2,274	2,240	3,766	1,388	4,618	
SCH PERFORMING GROUPS	38,799	25,007	30,235	20,083	13,350	36,968	19,131	28,273	27,825	
FEE-BASED ARTS INSTRUCTION	212,135	229,192	8,470	191,714	194,203	5,981	193,298	180,288	18,991	
FINE & PERFORMING ARTS SALES TO STUDENTS	(379)	15,941	8,170	9,315	12,616	4,868	19,272	18,410	5,730	
GRAPHIC ARTS	54,350	62,031	37,035	59,577	61,927	34,685	66,985	64,118	37,552	
MUSICAL	21,877	21,186	12,911	18,197	17,355	13,754	27,270	26,202	14,822	
WORLD LANGUAGES FEE-BASED	2,906	2,011	1,066	5,733	6,766	34	5,285	5,307	11	
KINDERGARTEN AFTER SCHOOL ENRICH (KASE)	973,343	770,250	782,034	884,363	906,627	759,769	794,559	1,002,536	551,793	F (3)
ELEMENTARY AFTER SCHOOL ENRICH (EASE)	85,898	84,811	19,185	92,374	103,181	8,379	121,969	113,972	16,376	
POLLARD AFTER SCHOOL ENRICH (PAS)	62,186	54,129	10,067	65,421	68,308	7,180	79,474	71,692	14,962	
SUMMER SCHOOL	206,983	164,400	207,832	237,653	174,649	270,836	259,494	213,545	316,784	F (4)
TUTORING	-	-	525	225	-	750	80	-	830	
SUMMER SPORTS CLINICS	1,200	9,729	5,389	15,705	1,019	14,686	11,850	4,751	21,784	
METCO REVOLVING FUND	100	1,261	39	935	3,310	3,014	1,535	2,999	1,549	
METCO SUMMER SCHOOL	-	-	-	-	-	-	-	-	-	

Massachusetts Department of Revenue At A Glance Report for Needham

Socioeconomic

County	Norfolk
School Structure	K-12
Form of Government	Town Manager Selectmen Representative Town Meeting
2010 Population	28,886
2011 Labor Force	14,217
2011 Unemployment Rate	4.8
1999 Per Capita Income	44,549
2009 Population Per Square Mile	2,302.70
2009 Housing Units Per Square Mile	860.11
2009 Road Miles	138.35
EQV Per Capita (2010 EQV/2009 Population)	266,227
Number of Registered Vehicles (January 2010)	29,047
Average Age of Vehicles (January 2010)	8.04
2010 Number of Registered Voters	20,774

Certification

Most Recent	2009
Next Scheduled	2012

Bond Ratings

Moody's Bond Rating as of December 2010*

S & P Bond Rating as of December 2010*

AAA

*Blank indicates the community has not been rated by the bond agency.

Fiscal Year 2011 Estimated Cherry Sheet Aid

Education Aid	6,622,455
General Government	1,604,558
Total Receipts	8,227,013
Total Assessments	1,068,405
Net State Aid	7,158,608

Massachusetts Department of Revenue
At A Glance Report for Needham

Fiscal Year 2011 Tax Classification

Tax Classification	Assessed Values	Tax Levy	Tax Rate
Residential	6,586,585,192	71,793,779	10.90
Open Space	0	0	0.00
Commercial	695,180,246	14,946,375	21.50
Industrial	127,667,300	2,744,847	21.50
Personal Property	166,825,350	3,586,745	21.50
Total	7,576,258,088	93,071,746	

Fiscal Year 2011 Revenues by Source

Revenue Source		Percent of Total
Tax Levy	93,071,746	69.92
State Aid	8,972,394	6.74
Local Receipts	25,683,741	19.29
Other Available	5,391,817	4.05
Total	133,119,698	

Fiscal Year 2011 Proposition 2½ Levy Capacity

New Growth	1,731,827
Override	0
Debt Exclusion	7,255,895
Levy Limit	93,091,997
Excess Capacity	20,251
Ceiling	189,406,452
Override Capacity	103,570,350

Other Available Funds

7/1/2010 Free Cash	FY2010 Stabilization Fund	FY2011 Overlay Reserve
3,380,269	4,665,095	1,584,557

Massachusetts Department of Revenue At A Glance Report for Needham

Fiscal Year 2011 Average Single Family Tax Bill**

Number of Single Family Parcels	8,346
Assessed Value of Single Family	708,194
Average Single Family Tax Bill	7,719

State Average Single Family Tax Bill

Fiscal Year 2009	4,250
Fiscal Year 2010	4,390
Fiscal Year 2011	4,537

Needham issues property tax bills Quarterly.

**For the communities granting residential exemptions, DLS does not collect enough information to calculate an average single-family tax bill. In FY11 those communities are Barnstable, Boston, Brookline, Cambridge, Chelsea, Everett, Malden, Nantucket, Somerville, Somerset, Tisbury, Waltham and Watertown. Therefore, the average single-family tax bill information in this report will be blank.

Fiscal Year 2010 Schedule A – Actual Revenues and Expenditures

	General Fund	Special Revenue	Capital Projects	Enterprise Funds	Trust Revenue	Total All Funds
Revenues	104,577,181	13,131,296	3,611,845	14,975,413	4,383,149	140,678,884
Expenditures	102,046,843	12,420,627	20,462,226	12,521,527	3,471,220	150,922,443
Police	4,859,763	0	0	0	0	4,859,763
Fire	5,925,009	0	0	0	0	5,925,009
Education	49,595,622	8,918,099	5,647,781	0	0	64,161,502
Public Works	4,267,110	0	6,506,572	10,686,827	0	21,460,509
General Fund Debt Service	9,052,943					9,052,943
Health Ins	11,842,927					11,842,927
Pension	4,231,565					4,231,565
All Other	12,271,904	3,502,528	8,307,873	1,834,700	3,471,220	29,388,225

This data only represents the revenues and expenditures occurring in these funds and does **not** reflect any transfers to or from other funds. Therefore, this data should not be used to calculate an ending fund balance.

Total Revenues and Expenditures Per Capita

	General Fund	Special Revenue	Capital Projects	Enterprise Funds	Trust Revenue	Total All Funds
Revenues	3,620.3	454.6	125.0	518.4	151.7	4,870.1
Expenditures	3,532.7	430.0	708.4	433.5	120.2	5,224.8

Massachusetts Department of Revenue Historical "At A Glance" Data for Needham

Fiscal Year	Assessed Values					
	Residential	Open Space	Commercial	Industrial	Personal Property	Total
2005	5,244,368,254	0	504,231,276	148,379,300	93,171,730	5,990,150,560
2006	6,200,927,493	0	584,518,198	154,136,100	102,288,410	7,041,870,201
2007	6,287,695,599	0	587,473,134	138,707,700	106,936,960	7,120,813,393
2008	6,338,792,593	0	605,364,330	138,882,200	125,999,642	7,209,038,765
2009	6,403,606,329	0	660,238,734	132,778,300	134,678,840	7,331,302,203
2010	6,488,349,842	0	663,613,511	130,298,600	149,501,950	7,431,763,903
2011	6,586,585,192	0	695,180,246	127,667,300	166,825,350	7,576,258,088
2012	6,840,404,198	0	710,846,482	121,241,400	160,657,470	7,833,149,550

Fiscal Year	Tax Levy					
	Residential	Open Space	Commercial	Industrial	Personal Property	Total
2005	50,398,379	0	9,494,675	2,793,982	1,754,424	64,441,460
2006	54,568,162	0	10,018,642	2,641,893	1,753,223	68,981,920
2007	58,789,954	0	10,674,387	2,520,319	1,943,045	73,927,705
2008	61,486,288	0	11,453,493	2,627,651	2,383,913	77,951,345
2009	63,779,919	0	12,914,270	2,597,144	2,634,318	81,925,651
2010	68,322,324	0	13,723,527	2,694,575	3,091,700	87,832,126
2011	71,793,779	0	14,946,375	2,744,847	3,586,745	93,071,746
2012	74,902,426	0	15,283,199	2,606,690	3,454,136	96,246,451

Fiscal Year	Tax Rate					
	Residential	Open Space	Commercial	Industrial	Personal Property	
2005	9.61	0.00	18.83	18.83	18.83	
2006	8.80	0.00	17.14	17.14	17.14	
2007	9.35	0.00	18.17	18.17	18.17	
2008	9.70	0.00	18.92	18.92	18.92	
2009	9.96	0.00	19.56	19.56	19.56	
2010	10.53	0.00	20.68	20.68	20.68	
2011	10.90	0.00	21.50	21.50	21.50	
2012	10.95	0.0	21.50	21.50	21.50	

Fiscal Year	Revenues by Source					Percent of Total			
	Tax Levy	State Aid	Local Receipts	Other Available	Total	Tax Levy	State Aid	Local Receipts	Other Available
2005	64,441,460	6,631,117	21,650,079	3,926,434	96,649,090	66.68	6.86	22.40	4.06
2006	68,981,920	7,923,769	21,868,377	5,520,088	104,294,154	66.14	7.60	20.97	5.29
2007	73,927,704	21,139,968	25,536,787	4,912,986	125,517,445	58.90	16.84	20.35	3.91
2008	77,951,346	8,347,108	27,343,787	4,184,858	117,827,099	66.16	7.08	23.21	3.55
2009	81,925,650	9,376,375	27,142,107	7,300,831	125,744,963	65.15	7.46	21.59	5.81
2010	87,832,127	8,456,131	33,381,188	4,522,287	134,191,733	65.45	6.30	24.88	3.37
2011	93,071,746	8,972,394	25,683,741	5,391,817	133,119,698	69.92	6.74	19.29	4.05
2012	96,246,451	9,323,654	26,968,184	4,168,711	136,707,000	70.40	6.82	19.73	3.05

Fiscal Year	Proposition 2 1/2 Levy Capacity						Override Capacity	
	New Growth	Override	Debt Exclusion	Levy Limit	Excess Capacity	Ceiling	Override Capacity	
2005	1,005,822	0	2,893,456	61,600,681	52,677	149,753,764	88,153,083	
2006	1,601,640	0	4,318,355	64,742,338	78,773	176,046,755	111,304,417	
2007	1,096,944	597,370	5,878,925	68,055,210	6,431	178,020,335	109,965,125	
2008	1,376,465	1,128,670	5,741,620	72,263,351	53,626	180,225,969	107,962,618	
2009	2,102,657	0	5,758,430	76,202,247	35,026	183,282,555	107,080,308	
2010	1,870,805	1,887,929	6,004,469	81,866,037	38,380	185,794,098	103,928,061	
2011	1,731,827	0	7,255,895	85,836,102	20,251	189,406,452	103,570,350	
2012								

Fiscal Year	Reserves			Fiscal Year	Stabilization
	Free Cash	Overlay	Reserve		Fund
2005	3,260,346		736,731	2004	2,632,154
2006	3,895,235		1,086,199	2005	2,770,478
2007	3,266,326		1,094,344	2006	2,857,071
2008	5,810,170		919,602	2007	3,122,171
2009	3,145,416		1,100,000	2008	3,342,571
2010	3,568,037		960,626	2009	4,398,963
2011	3,380,269		1,584,557	2010	4,665,095
2012	5,366,720	N/A		2011	4,798,453

Massachusetts Department of Revenue Historical "At A Glance" Data for Needham

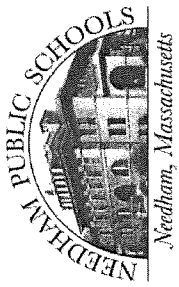
Fiscal Year	Average Single Family Tax Bills				State Average
	Parcels	Assessed Value	Average Value	Tax Bill	
2005	8,316	4,774,121,100	574,089	5,517	3,588
2006	8,330	5,601,161,000	672,408	5,917	3,801
2007	8,326	5,678,492,200	682,019	6,377	3,962
2008	8,337	5,727,282,300	686,972	6,664	4,110
2009	8,341	5,784,137,300	693,458	6,907	4,250
2010	8,334	5,839,958,600	700,739	7,379	4,390
2011	8,346	5,910,589,800	708,194	7,719	4,537
2012	8,351	6,158,330,400	737,436	8,075	4,711

Communities whose Average Single Family Tax Bill data is blank have adopted a residential exemption and are excluded from this file. The information that they submit is inadequate to determine an average tax bill.

Fiscal Year	Estimated Cherry Sheet Aid				
	Education Aid	General Government	Total Receipts	Total Assessments	Net State Aid
2005	4,793,207	1,837,910	6,631,117	965,791	5,665,326
2006	4,594,522	2,036,121	6,630,643	981,582	5,649,061
2007	4,453,656	2,348,144	6,801,800	1,045,299	5,756,501
2008	5,190,177	2,411,550	7,601,727	1,057,780	6,543,947
2009	6,209,013	2,421,981	8,630,994	1,103,256	7,527,738
2010	6,031,907	1,678,843	7,710,750	1,068,405	6,642,345
2011	6,622,455	1,604,558	8,227,013	1,080,311	7,146,702
2012	7,084,895	1,493,378	8,578,273	1,198,244	7,380,029
2013	7,708,707	1,605,657	9,314,364	1,238,429	8,075,935

Source: Massachusetts Department of Revenue, Division of Local Services
 FY2005 - 2011 Multi-Year At-A-Glance Report
 FY12 Community Comparison Report
 FY12 Stabilization Fund & Free Cash
 FY03-FY12 Average Single Family Tax Bills
 FY02-FY12 Statewide Average Single Family Tax Bills
 FY12, FY13 Cherry Sheet

Note: N/A signals data not available at time of printing



Needham Public Schools

A school and community partnership that creates excited learners, inspires excellence, fosters integrity.

November 10, 2011

To: Needham School Committee
From: Anne Gulati, Director of Financial Operations; Michael Greis, School Committee; Marianne Cooley, School Committee
Re: FY 2012/13 – 2016/17 Five-Year Financial Forecast

Introduction

The Needham Public Schools is faced with opportunities and challenges. As we pursue our goals for improving student learning over the next five years, we do so in an environment of limited resources and competing demands. A major challenge of the School Committee will be to sustain the educational programs of the School Department, given growing school-age populations and increasing mandates. Difficult operational decisions also must be made at the same time that additional funds are required to repair aging facilities, to purchase increasingly expensive fuel, and replace our technology stock.

The FY13 budget picture presents special challenges, due to the unexpectedly difficult economic climate the Town finds itself in, increasing secondary enrollment and significant equipment replacement needs. The school department must make difficult decisions, which involve balancing program objectives, meeting expectations and providing for contractual and mandated increases, within a context of limited resources. Toward this end, the School Department has developed this five-year financial forecast to better understand the ‘big picture’ challenges we face and to inform decision-making during the budget process. This forecast complements the Pro Forma budget developed by the Town Manager, by projecting school expenses based on current data and identified needs, rather than historical trends. It is not a substitute for the budgeting process, but rather a planning document and tool for conducting scenario analysis.

The five-year forecast is presented on the following pages, and includes a discussion of both underlying assumptions and implications for future work. The School Committee welcomes the opportunity to discuss this report, and the opportunities and challenges for sustainable growth with Town Meeting members, the Board of Selectmen and the Finance Committee.

FY 2012/13 – 2016/17 Expenditure “Needs” Projection

FY13-17 PROJECTION	2012 (1)	2013	2014	2015	2016	2017	AVG ANN INC
SALARIES							
Base Salary Cost (Existing FTE's)	41,542,582	42,872,809	44,490,485	46,120,713	47,722,364	49,299,182	
Cost of New Positions (Cumulative)	0	2,117,742	2,834,283	2,727,420	2,658,969	2,743,129	
Subtotal Salaries	41,542,582	44,990,552	47,324,768	48,848,133	50,381,332	52,042,311	
% Inc/(Dec) From Prior Year		8.30%	5.19%	3.22%	3.14%	3.30%	4.63%
SUPPLIES & SERVICES							
SPED Tuition & Professional Services	4,194,077	3,799,550	3,448,575	3,270,164	3,615,365	3,826,103	
Transportation	1,146,430	1,166,373	1,219,250	1,280,387	1,331,893	1,420,549	
Other Supplies & Services	1,618,285	1,807,742	1,826,642	1,838,217	1,851,630	1,840,195	
Subtotal Supplies & Services	6,958,792	6,773,665	6,494,467	6,388,768	6,798,888	7,086,847	
% Inc/(Dec) From Prior Year		-2.66%	-4.12%	-1.63%	6.42%	4.24%	0.45%
Grand Total	48,501,374	51,764,216	53,819,235	55,236,901	57,180,220	59,129,158	
\$ Inc/(Dec) From Prior Year	2,077,296	3,262,842	2,055,018	1,417,666	1,943,320	1,948,938	
% Inc/(Dec) From Prior Year	4.47%	6.73%	3.97%	2.63%	3.52%	3.41%	4.05%
Grand Total FTE	624.38	663.03	678.17	676.30	675.12	676.54	
FTE Inc/(Dec) From Prior Year		38.65	15.14	-1.87	-1.17	1.41	
Projected School Revenue @ Town Pro Forma	48,501,371	49,078,989	50,632,606	52,284,348	53,987,094	55,752,387	-
\$ Inc/(Dec) From Prior Year	2,077,296	577,618	1,553,617	1,651,741	1,702,747	1,765,293	
% Inc/(Dec) From Prior Year	4.47%	1.19%	3.17%	3.26%	3.26%	3.27%	2.83%
CUMULATIVE SURPLUS/(DEFICIT) INCREMENTAL GAP		-2,685,227	-3,186,628	-2,952,553	-3,193,126	-3,376,771	
		-2,685,227	-501,401	234,075	-240,573	-183,645	
Projected School Revenue @ 4.5% 'Historical'	48,501,371	50,683,933	52,964,710	55,348,122	57,838,787	60,441,532	
\$ Inc/(Dec) From Prior Year	2,077,296	2,182,562	2,280,777	2,383,412	2,490,665	2,602,745	
% Inc/(Dec) From Prior Year	4.47%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
CUMULATIVE SURPLUS/(DEFICIT) INCREMENTAL GAP	-3	-1,080,284	-854,525	111,221	658,567	1,312,374	
		-1,080,281	225,759	965,746	547,346	653,807	

* FY12 reflects November 2011 STM additional appropriation of \$65,000

FY 2012/13 – 2016/17 Projected Staff Growth to Meet Enrollment, Mandates and Other Needs

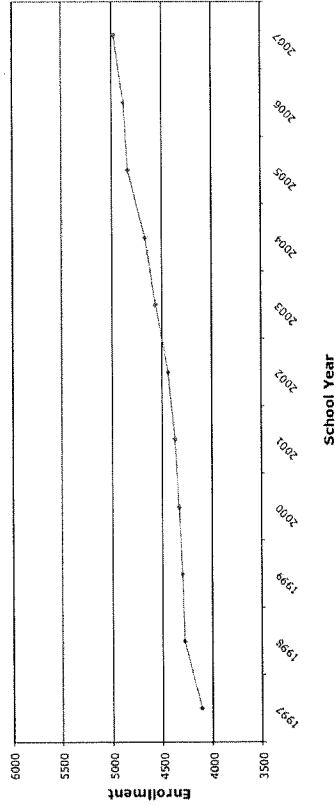
Positions	2012 (1)	2013	2014	2015	2016	2017	Projected Total Change	TOTAL
<u>Classroom Teachers</u>								
Broadmeadow	25.00	(0.50)	0.50	1.00	(3.00)	-	(2.00)	23.00
Eliot	17.50	(1.00)	1.00	1.00	(1.00)	2.00	2.00	19.50
Hillside	19.00	-	0.50	(1.00)	0.50	1.50	1.50	20.50
Mitchell	21.00	1.00	(0.50)	(1.00)	(1.00)	(1.00)	(2.50)	18.50
Newman	27.50	0.50	(1.50)	-	-	(0.50)	(1.50)	26.00
High Rock	20.00	-	-	(2.00)	2.00	(3.00)	(3.00)	17.00
Pollard	36.00	2.00	2.00	(2.00)	(2.00)	2.00	2.00	38.00
High School	63.00	9.40	1.66	2.77	4.10	0.37	18.30	81.30
Subtotal Classroom Teachers	229.00	11.40	3.66	(1.23)	(0.40)	1.37	14.80	243.80
<u>Other Staff</u>								
Specialists	85.80	8.66	1.08	(2.14)	(0.77)	0.05	6.86	92.66
Computer Tech./Media Aides	2.20	5.00	-	-	-	-	5.00	7.20
Guidance	23.00	2.50	-	-	-	-	2.50	25.50
Psychology	4.30	-	-	1.00	-	-	1.00	5.30
Nurse	7.61	0.20	-	-	-	-	0.20	7.81
SPED	53.15	3.20	3.00	-	-	-	6.20	59.35
SPED TA	93.44	2.05	4.00	-	-	-	6.05	99.49
SPED Team Chair	3.17	-	-	-	-	-	-	3.17
SPED Director	3.00	-	-	-	-	-	-	3.00
MCAS Tutor	-	-	-	-	-	-	-	-
Clerical	35.39	-	1.00	-	-	-	1.00	36.39
Department Head	3.30	-	-	-	-	-	-	3.30
Asst Principal	5.50	-	1.00	-	-	-	1.00	6.50
Principal	8.00	-	-	-	-	-	-	8.00
Other District	68.52	5.64	1.40	0.50	-	-	7.54	76.06
Grand Total	396.38	27.25	11.48	(0.64)	(0.77)	0.05	37.35	433.73
Grand Total with Grants	625.38	38.65	15.14	(1.87)	(1.17)	1.41	52.16	677.54
Annual \$ Cost	41,542,582	2,117,742	716,541	-106,863	-68,451	84,161	2,743,129	2,743,129
Cumulative \$ Cost		2,117,742	2,834,283	2,727,420	2,658,969	2,743,129	2,743,129	2,743,129

Assumptions

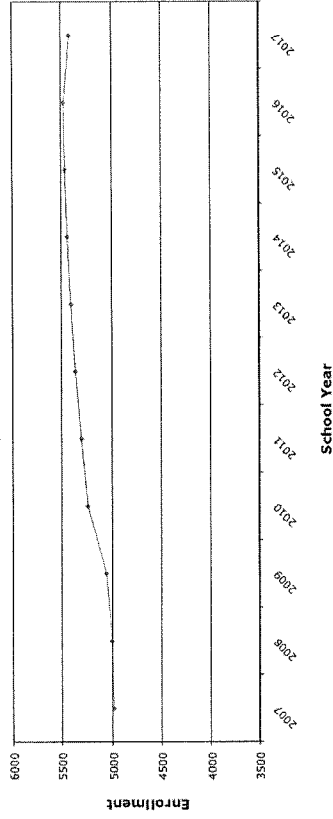
Enrollment Growth

Since September 1996, enrollment has increased by 1250 students, or 30.4% - the equivalent of more than two large elementary schools - at an average of about 1.8% per year. Over the next five years, enrollment growth is expected to flatten out: increasing enrollment at the middle and high school levels is projected to be balanced by declining elementary enrollment. As evident on the next few pages, however, the budgetary impact of level enrollment is not neutral. The relatively more intensive staffing levels associated with instruction at the secondary level will drive a large increase in the budget. Projections by school are presented in Appendix A.

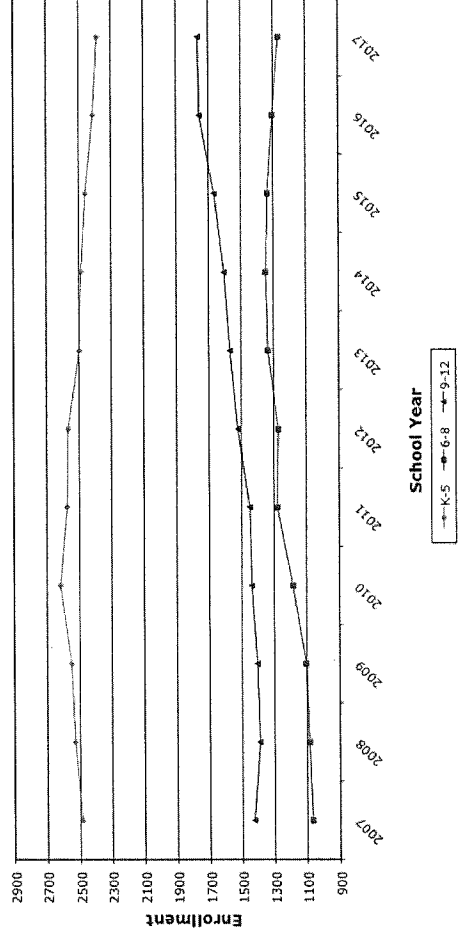
Needham Public Schools Enrollment
(Excluding Preschool & Out of District)
1996/97 - 2006/07



Needham Public Schools Enrollment
(Excluding Preschool & Out of District)
2006/07 - 2016/17



Needham Public Schools Enrollment
(Excluding Preschool & Out of District)
2006/07 - 2016/17



Enrollment projections are based on estimates developed by the Future School Needs Committee.

Salary Expenses:

Salary costs represent the largest portion (86%) of the school operating budget, and include the ongoing cost of all current positions, plus the additional positions needed due to enrollment growth and service needs.

Base Salaries:

Base salaries represent the ongoing cost of all currently funded positions (625.38 FTE.) Step, lane and cost of living increases are included. A 2% cost of living increase for teachers and administrators is assumed for FY13, based on settled contracts. Increases in the subsequent years represent 'typical' settlements of 2.0%/year. The projection also assumes seven teacher retirements and two teacher resignations, per year. The total savings are estimated to be approximately \$224,200 from retirements and \$41,370 from resignations, annually. Lane changes reflect prior year experience, at a cost of approximately \$120,000/year. Other compensation is projected to grow at the following rates:

	2013	2014	2015	2016	2017	
Cocurricular Stipends & Coaches	2.000%	2.000%	2.000%	2.000%	2.000%	Based on Assumed Unit A
Occupational/ Physical Therapists	10.00%	10.00%	10.00%	10.00%	10.00%	Based on Historical Rate of Increase (10%)
Professional & Curriculum Development	0.00%	0.00%	14.29%	0.00%	0.00%	Increase Curriculum Rate \$25 in FY15
Substitutes	0.00%	10.868%	9.803%	8.928%	8.196%	To achieve \$125 (Requested Rate) over 5 Years, Starting FY14
Technology Support	2.40%	3.43%	3.30%	3.30%	3.30%	Estimated, includes steps, COLA & other Wage Settlements.
Unit C & Other Instructional Aides	4.00%	3.00%	3.70%	3.70%	3.70%	Estimated, includes steps, COLA & other Wage Settlements.
Unit D + other clerical and admin support	2.40%	3.43%	3.30%	3.30%	3.30%	Estimated, includes steps, COLA & other Wage Settlements.

Staff Growth:

The model forecasts the need for a total of 52.16 FTE positions over the next five years, which includes: 21.67 FTE to meet enrollment growth at the Middle and High Schools; 9.69 FTE to restore positions formerly funded by the federal Education Jobs grant in FY12; 17.40 FTE to provide student support in the areas of special education, guidance, nursing and English Language Learner (ELL) support; 2.4 FTE clerical/administrative support positions, and a 1.0 FTE Assistant Principal for the High School. These positions are discussed below.

Enrollment-Related Positions:

Although overall enrollment growth is expected to 'flatten out' to an average of 0.4% over the next five years, the model forecasts the need for 21.67 FTE enrollment-related staff positions over the next five years. This disparity reflects the fact that staffing models at the middle and high schools are more teacher intensive than at the elementary level. Since the bulk of enrollment growth is expected to occur at the secondary level, the projected increase in secondary enrollment positions will more than offset projected reductions at the elementary level. In addition, most of the new enrollment-related positions are projected for FY13, which shows a 'bump' of 20.06 FTE classroom teachers and specialists. The FY13 projection includes the additional staff members required to provide services to existing children, as well as projecting additional staff members needed for enrollment growth.

Elementary classroom teachers are projected based on anticipated enrollments and the following class size multipliers. The model predicts that the number of elementary classroom teachers will decrease by 2.5 FTE over the next five years, based on the projected decline in elementary enrollments. The number of elementary specialists is projected to decrease by 1.43 FTE.

Average Class Size	Specialist Staffing
K-3	Based on 1200 min/ FTE
4-5	
6-8	
9-12	
ES Music	
ES Art	
ES Media	
ES Phys Ed	

Specialists Time	freq	Minutes/Wk	Based on 1200 min/ FTE
Mus:			
K	1	0	
1-3	1	45	
4-5	1	30	
4-5 Chorus	1	45 per 75 students	
Art:			
1-4	1	45	
5	1	60	
Media:			
K	1	30	
1-2	1	30	
3-5	1	45	
Physical Education:			
K	1	30	
1-2	2	60 2 x 30	
3-5	1	45	

Middle School teaching positions are expected to increase, however, as population growth shifts to the secondary level. Staffing requirements are based on the trimester cluster model. At High Rock (Grade 6), there are five clusters, each staffed by four teachers. At the Pollard (Grades 7 and 8), there are four clusters at each grade, one of which is staffed by six teachers and three of which are staffed by four teachers. Specialist staffing is based on the following schedule in Grade 6, where students attend four core courses daily, plus two elective blocks over a two-day cycle, each trimester. In Grades 7 and 8, there is an alternating 7/6 period day, where students attend four core courses daily, plus 3/2 elective blocks on alternating days. Each specialist is assumed to teach five classes/day, or ten classes per trimester, or 30 classes per year. The Middle School cluster staffing models are depicted below for Grades 6-8.

Grade 6 Teaching Schedule

	T1	T2	T3
Per 1	W	PA	W
Per 2	H	WL	A
Core	C	C	C
Core	C	C	C
Core	C	C	C
Core	C	C	C

Grade 7 Teaching Schedule

	T1	T2	T3
Per 1	PE	FA	PE
Per 2	PA	A	PA
Per 3	C	WL	C
Core	C	C	C
Core	C	C	C
Core	C	C	C

Grade 8 Teaching Schedule

	T1	T2	T3
Per 1	A	PA	H
Per 2	WL	WL	WL
Per 3	C	PE	C
Core	C	C	C
Core	C	C	C
Core	C	C	C

For next year, the model projects that an additional 2.0 FTE Pollard cluster teachers will be needed (to create five four-person clusters) and 9.5 FTE specialists will be needed across both middle schools to meet existing and projected enrollment growth. As the middle school students graduate to Needham High School, the need for additional staff members will abate somewhat, for a net decrease of 1.0 FTE cluster teachers and an overall increase of 8.29 FTE specialists over the five year period.

High School staffing is based on elective course offerings, and an assumed student-to-teacher ratio of 21.7 students per teacher. Based on these assumptions, the model projects the need for 9.4 FTE additional teachers in FY13 and a total of 18.3 FTE over the five-year period. In FY14, the model adds an additional Assistant Principal and a clerical position as well, to meet enrollment increases.

Education Jobs Grant:

In FY12, the federal Education Jobs grant was used to support a total of 9.69 staff positions, including 6.5 FTE computer technicians and 3.19 FTE special education assistants. Since this grant was a one-year grant only, these positions must be restored to the operating budget to continue services. The model assumes that all of these positions are restored in FY13.

Student Support Services Staffing Needs:

Special education, guidance, psychology, occupational/physical therapy, nursing, occupational/physical therapy and English Language Learner tutor positions are based on anticipated student needs and staffing ratios. The model includes the following additional positions:

Positions	District	Elementary	Middle	High	Preschool	Projected Total Change
Technicians	1.5 (Ed Jobs) FY13	0.5 Broadm'dow (Ed Jobs) FY13 0.5 Elliot (Ed Jobs) FY13 0.25 Hillside (Ed Jobs) FY13 0.5 Mitchell (Ed Jobs) FY13 0.5 Newman (Ed Jobs) FY13	0.25 High Rock (Ed Jobs) FY13 0.5 Pollard (Ed Jobs) FY13	2.0 (Ed Jobs) FY13		6.5 FTE
Guidance		0.5 Broadmeadow SLC (FY13)	1.0 Pollard/High Rock (FY13)	1.0 High School (FY13)		2.5 FTE
Psychology				0.5 (FY15)	0.5 (FY15)	1.0 FTE
Nursing			0.1 High Rock (FY13)	0.1 (FY13)	0.5 (FY13)	0.7 FTE
SPED Teachers/ SLP's		1.0 New SLP (FY14)	0.1 High Rock Reading (FY13) 0.6 Pollard Reading (FY13) 2.0 Pollard (FY13) 1.0 High Rock (FY14)	0.5 (FY13) 1.0 (FY14)		6.2 FTE
SPED TA's/ SLPA's	2.14 (Ed Jobs) FY13	1.05 Hillside (Ed Jobs) FY13 2.0 New SLP (FY14)	1.0 Pollard (FY13) 1.0 Pollard (FY14)	1.0 (FY14)	0.5 (FY13)	8.69 FTE
Reading		0.3 Hillside (FY13)				0.3 FTE
ELL Tutors		1.5 (FY13) Upgrade Tutors (FY13)				1.5 FTE
Clerical	1.0 HR Generalist (FY14) 0.4 Payroll (FY14)			1.0 (FY14)		2.4 FTE
Assistant Principal				1.0 (FY14)		1.0 FTE
TOTAL	5.04 FTE	8.6 FTE	7.55 FTE	8.1 FTE	1.5 FTE	30.79 FTE

Non-Salary Costs:

The model projects non-salary costs on a per-pupil basis, with the exception of SPED tuition, professional services expenses and transportation expense, which are projected based on anticipated student needs and historical information. The following assumptions are made:

- After several years of significant increases, expenditures in special education out-of-district tuitions are projected to decrease are projected to decrease, reflecting the impending graduation of several students and projected student needs. The most significant reduction is projected to occur in FY13, when expenditures are projected to decrease by \$430,335 (11.2%). The model assumes a 3.3% Occupational Services Division inflation factor, as well continued state funding for the Circuit Breaker reimbursement program at the current rate of 65%.
- Transportation costs are assumed to grow by 4.4% per year, on average, which reflects our favorable out of district contract rates (resulting from Needham's decision to join a multi-district networking group) and the fact that in-town non-salary special education expenditures are presumed to grow at a modest rate of 2% (compared to our previous contract rate of 5% per year.) Bus and van driver salaries are projected separately, with other salaries. The regular transportation contract rates of 8.6% in FY13, 7.3% in FY14, 10.9% in FY15 and 2.7% in FY16 are embedded in the projection of regular transportation expenses. An increase of 12% per year is projected in FY17, which reflects our historical experience upon contract re-negotiation.
- Occupational/Physical Therapy expenses are assumed to grow by 10% per year, based on historical information.
- All other expenses are projected to grow based on the following pupil multipliers. These multipliers have been updated to reflect the fact significant cuts have been made to supply accounts over the past several years, which has reduced our per pupil expenditure rates, as well as comparative ratio information from other districts:
 - Instructional Expenses: \$132 elementary (down from \$142.93), \$150 middle (down from \$182.85), \$175 high (down from \$233.51) and \$60 district (down from \$64.27.)
 - Non-instructional expenses (including instructional technology maintenance & supplies): \$125 district (up from \$103.59.)

FY 2012/13 – 2016/17 Implications

The model projects that, based on the aforementioned assumptions, school operating 'needs' could exceed available revenue by approximately \$2.7 million in FY13, and by approximately \$200,000-\$500,000/year thereafter, based on the Town-wide revenue projection.

FY13-17 PROJECTION (BASE SCENARIO)	2012	2013	2014	2015	2016	2017	AVG ANN INC
Projected School Expenditures	48,501,374	51,764,216	53,819,235	55,236,901	57,180,220	59,129,158	
Projected School Revenue @ Town Pro Forma	48,501,371	49,078,989	50,632,606	52,284,348	53,987,094	55,752,387	
CUMULATIVE SURPLUS/(DEFICIT)		-2,685,227	-3,186,628	-2,952,553	-3,193,126	-3,376,771	
INCREMENTAL GAP		-2,685,227	-501,401	234,075	-240,573	-183,645	(675,354)

This projection represents a significant challenge for the School Department, because the 'needs' defined above are unaffordable, given both the current economic climate and the most recent projections for ongoing revenue. It also is clear that there are no easy solutions to the external pressures placed by increasing enrollments, special education mandates, collective bargaining requirements and high expectations for performance placed by the federal and state governments, and by the Needham community. All 'strategies' for balancing the budget must be weighed against the offsetting cost to children and teachers of diminished program and the competitive disadvantage of a wage reduction on our ability to attract and retain the School Departments most valuable resource - its personnel.

In addition, the above projection does not incorporate the School Department's increasingly significant equipment replacement needs, which are funded outside of the school operating budget, in the Town's capital improvement program. These equipment replacement needs exclude both facility maintenance and new construction/renovation, which are managed by the Public Facilities Department and the Permanent Public Building Committee, respectively. Facilities maintenance is, however, another area where increased funding will be needed over the next several years, to undertake needed repairs to the Mitchell, Hillside and Pollard Schools, which were identified in a recent facilities assessment of these buildings. Additionally, although there is a need to renovate all three of these schools, such new construction/renovation would occur only with proceeds raised from a debt exclusion override in combination with Massachusetts School Building Authority assistance.

The chart below projects equipment replacement needs over the next five years, based on the Town's established replacement cycle assumption for school technology of seven years (Capital Scenario I.) The chart also includes a needed expansion to the District's internet bandwidth, as well as additional computer technicians, which would be needed to meet the Department of Elementary and Secondary Education's staffing ratio of 1 technician: 200 computers. (Our current ratio is 1: 580 computers.) The funding shortfall adds \$480,484 to the FY13 operating deficit.

FY13-17 CAPITAL SCENARIO I	2012	2013	2014	2015	2016	2017	AVG ANN INC
CAPITAL TECHNOLOGY							
Computer Replacement (7-Year Cycle)	349,100	672,800	633,800	482,300	474,100	351,350	
Internet Bandwidth	17,557	58,525	58,525	58,525	58,525	58,525	
Additional Technicians to Meet 1:200 Staffing Ratio	0	80,316	134,932	190,639	247,461	305,419	
Subtotal	366,657	811,641	827,257	731,464	780,086	715,294	
OTHER EQUIPMENT							
Copier Replacement	66,950	97,570	80,450	52,990	70,505	48,820	
Musical Equipment Replacement	15,000	15,000	15,000	15,000	15,000	15,000	
Furniture Replacement	37,750	28,450	41,600	34,180	45,405	45,000	
Vehicle Replacement	0	0	0	0	52,660	284,240	
Graphic Arts Equipment Replacement	0	14,180	8,270	8,450	11,910	7,660	
Wellness Equipment Replacement	0	0	14,380	14,810	20,020	13,110	
Subtotal	119,700	155,200	159,700	125,430	215,500	413,830	
Total Equipment Replacement	486,357	966,841	986,957	856,894	995,586	1,129,124	
\$ Increase Prior Year		480,484	20,115	-130,063	138,692	133,538	
% Increase Prior Year		98.79%	2.08%	-13.18%	16.19%	13.41%	
EQUIPMENT REPLACEMENT FROM LOCAL FUI	486,357	486,357	486,357	486,357	486,357	486,357	-
CUMULATIVE SURPLUS/(DEFICIT) INCREMENTAL GAP							
		-480,484	-500,600	-370,537	-509,229	-642,767	
		-480,484	-20,115	130,063	-138,692	-133,538	(128,553)

The impact of incorporating these needs into the overall forecast increases the overall deficit for FY13 to \$3.2 million.

FY13-17 PROJECTION (CAPITAL SCENARIO I)	2012	2013	2014	2015	2016	2017	AVG ANN INC
Projected School Expenditures (Base Scenario)	48,501,374	51,764,216	53,819,235	55,236,901	57,180,220	59,129,158	
Additional Expenses - Capital Scenario I		480,484	500,600	370,537	509,229	642,767	
Total School Expenditures	48,501,374	52,244,701	54,319,834	55,607,438	57,689,449	59,771,925	
Projected School Revenue @ Town Pro Forma	48,501,371	49,078,989	50,632,606	52,284,348	53,987,094	55,752,387	
CUMULATIVE SURPLUS/(DEFICIT) INCREMENTAL GAP							
		-3,165,712	-3,687,228	-3,323,090	-3,702,355	-4,019,538	
		-3,165,712	-521,516	364,138	-379,265	-317,183	(803,908)

If the seven-year replacement cycle were abandoned for a more reasonable five-year cycle (Capital Scenario II), the estimated cost of equipment replacement increases. The resulting operational shortfall grows to \$3.7 million in the first year. The cumulative deficit over five years is \$4.2 million.

FY13-17 PROJECTION (CAPITAL SCENARIO II)	2012	2013	2014	2015	2016	2017	AVG ANN INC
Projected School Expenditures (Base Scenario)	48,501,374	51,764,216	53,819,235	55,236,901	57,180,220	59,129,158	
Additional Expenses - Capital Scenario I		1,020,784	274,100	504,637	361,029	793,617	
Total School Expenditures	48,501,374	52,785,001	54,093,334	55,741,538	57,541,249	59,922,775	
Projected School Revenue @ Town Pro Forma	48,501,371	49,078,989	50,632,606	52,284,348	53,987,094	55,752,387	
CUMULATIVE SURPLUS/(DEFICIT)		-3,706,012	-3,460,728	-3,457,190	-3,554,155	-4,170,388	
INCREMENTAL GAP		-3,706,012	245,284	3,538	-96,965	-616,233	(834,078)

To address the budget gap, the School Department will continue to work on long-term strategies for reducing cost and developing sustainable infrastructure in the areas of our budget, which are under our control. These efforts include:

- Negotiating fair, yet affordable contracts for teachers and other staff members. The new teacher salary contract for FY11-13 is based on this premise and provides for annual cost of living adjustments of 1% (FY11), 0.25% (FY12) and 2% (FY13), the first year of which is funded from half of the budget savings generated by teachers moving to the new Rate Saver Health Insurance Plans. (The remaining budget savings will go to benefit the overall Town-wide budget.) The budgetary impact of sustainable salary contracts cannot be understated – a 1% additional cost of living adjustment awarded to this unit in FY13, for instance, would have had a cumulative cost impact of approximately \$1.7 million over a five-year period. Continuing to strive for fair, yet affordable contracts will be an important strategy for managing future year budgets as well.
- Creating sustainable programs ‘in-house,’ for expensive special education services. The Special Education Department currently operates 13 specialized ‘in-district’ programs serving cohorts of children at the elementary, middle and high schools, that provide alternatives to expensive out-of-district placements. In addition, the Department is engaged in capacity building at all levels, to control costs. New initiatives include summer programming for children with Asperger’s Syndrome at the upper elementary and middle schools and post-graduate programs at the High School for 18-22 year olds. In addition, the Autism Specialist hired last year has allowed Needham to provide consultations and formative behavior assessments ‘in-house’, which formerly were provided by more expensive contractual service providers. However, given the persistent increases and substantial additional funds required over the next five years to sustain the special education program, additional work in this area is needed. The Special Education Department recently commissioned a programmatic and efficiency study of its operations, for the purpose of improving student services and providing these services in the most cost effective manner possible.
- Providing pupil transportation services in the most cost effective manner possible. In an effort to control costs, Needham recently joined with a group of other districts to establish an out-of-district special needs transportation network, for the purpose of realizing savings from shared vehicles. The purchasing power of the larger group also allowed Needham to renegotiate its current special needs transportation contract and

drive down annual rate increases from 5%/year to between 0-1%/year, at an estimated savings of \$84,850 over the five-year period. In addition, Needham's recent purchase of two yellow buses has reduced the cost of regular transportation services by eliminating the need for one regular bus (at an annual savings of \$47,745) and reducing athletics transportation expense. Finally, the District's in-district special needs transportation program was brought in house this year, in an attempt to reduce the ongoing operational costs associated with providing that service. Although the five-year forecast identifies significant additional transportation expense for FY13 and beyond, those costs would have been higher without these offsetting measures.

Difficult decisions still will be required, however, to balance the FY13 budget, while still meeting our contractual and programmatic needs. Since salaries represent the largest share of the budget, and because the size of the budget gap in FY13 is so large, the most important strategies for reducing the deficit must focus on meeting our minimum contractual obligations and minimizing growth in new staff members. Specific strategies may include:

- Providing for only the most critical of the enrollment positions projected in this document, at the expense of increased class size. Our ability to do this, however, will be limited both by School Committee policy and the physical limitations of the facilities themselves. Currently, Pollard classrooms are able to accommodate class sizes of approximately 24-25 students. In addition, by FY17, the population of the High School is estimated to be nearly 1,800, in a facility designed for only 1,400. Spot or wholesale redistricting will not help this problem, because there are no underutilized facilities or programs in the District. Neither are schedule changes expected to offer much relief, given the complexities and limited number of sections and elective offerings that may be assigned.
- Investigating the feasibility of 1:1 computing models and pursuing the possibility of lease arrangements for school equipment replacement. A 1:1 pilot program currently is underway at Pollard School, the trial workings of which will be assessed during this fiscal year. If successful, this model, which might shift some of the responsibility for providing student computers to families and outside funding sources, could help to partially offset the cost of providing infrastructure to support our technology-rich curriculum. In addition, a review of the costs and benefits of lease/purchase financing plans will be conducted this winter to determine whether cost savings and operational improvements could be realized through this financing mechanism.
- Examining the extent to which existing resources could be redeployed to provide for identified student support services positions. Our ability to do this, however, will be limited by federal and state education requirements and the specifications of Individualized Education Plans, which are negotiated jointly with parents. As previously indicated, the Special Education Department recently commissioned a programmatic and efficiency study of its operations, for the purpose of improving student services and providing these services in the most cost effective manner possible.
- "Managing" school expenditures by paring supply budgets back to minimal levels (where possible), conservation of energy and consumable resources and using one-time revenues, as available.
- Using fees and grant funds, where possible, to support operations.

In the long term, additional relief also must come from growth in the revenue base and relief from legislative mandates that drive costs. Of particular importance are meeting the 17.5% state target aid share under the Chapter 70 funding formula and fully-funding the state Circuit Breaker reimbursement formula for special education services. Currently, the State funds 15.19% (\$6,991,720) of the 17.5% target share amount (\$8,054,523) – a difference of \$1,062,803. As a result, the amount of ongoing Chapter 70 aid to Needham is \$1.1 million less than the state's identified 'minimum' share of District spending requirements. Additionally, despite state legislation, which calls for districts to be reimbursed for 75% of their special education expenses over an amount equal to four times the state foundation budget per pupil, the current reimbursement rate for special education expenditures is 65%. Although the state made significant progress in increasing that rate during the current year (from 43.66% in FY11), Needham could have received an additional \$208,777, had the mandated reimbursement rate been fully-funded by the state legislature. Since these revenues are applied directly to special education tuition expense, the school budget gap would be reduced proportionately by each \$1 increase in the Circuit Breaker funding rate. Finally, the School Department may need to request additional community support to maintain the class size ratios that both the School Committee and parent community support.

Appendix A

PROJECTED ENROLLMENT (EXCLUDING METCO)

	11/12 (1)	12/13	13/14	14/15	15/16	16/17
Broadmeadow	591	573	556	549	514	504
K	83	89	81	74	78	70
1	84	87	94	86	77	82
2	117	85	88	95	87	78
3	87	118	86	89	96	87
4	105	88	119	86	89	96
5	115	106	89	120	87	91
Eliot	409	394	391	388	388	395
K	62	65	62	62	64	67
1	54	65	68	65	66	67
2	68	55	66	69	66	66
3	69	69	55	66	70	66
4	70	69	69	55	67	70
5	86	71	70	70	56	68
Hillside	445	428	433	424	455	474
K	73	74	68	62	90	81
1	67	77	78	71	66	94
2	63	68	78	79	72	66
3	76	63	68	78	80	73
4	68	77	64	69	79	80
5	98	69	77	65	69	80
Mitchell	482	497	485	478	447	423
K	78	82	87	66	55	49
1	77	82	86	71	70	58
2	89	78	83	87	71	71
3	79	90	78	84	87	72
4	85	80	90	79	84	88
5	74	86	80	91	80	85
Newman	641	608	622	620	607	592
K	102	76	110	96	91	82
1	102	107	80	116	101	96
2	110	103	108	81	117	103
3	106	111	104	109	81	118
4	103	107	112	105	110	82
5	118	104	108	113	106	111
Pollard	832	839	907	908	843	865
6	-	-	-	-	-	-
7	413	426	481	427	416	449
8	419	413	426	481	427	416
High Rock	438	494	439	427	461	401
High School	1,522	1,570	1,606	1,666	1,755	1,763
9	400	428	421	435	491	436
10	371	398	425	418	432	488
11	378	368	394	421	414	428
12	373	376	366	392	418	411
District Total:	5,360	5,402	5,439	5,461	5,471	5,416

'(1) October 1, 2011. Source: Superintendent's Office