

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 \$13,245 in FY10 was ranked 13th among the 20 comparison communities, with whom Needham regularly compares itself. However, Needham ranked higher – 13/9th in MCAS and 7th in SAT results

Community	FY11 Average Single Family Tax Bill (1)	Rank	FY10 Per-Pupil Expenditure (2)	Rank	FY10 Student Teacher Ratio (2)	Rank	FY10 MCAS ELA CPI (3)	Score	Rank	FY10 MCAS Math CPI (3)	Score	Rank	FY09 Combined SAT (3)	Rank	FY11 Teacher Starting Salary with Masters (4)	Rank	FY11 Teacher Top Salary with Masters + 30 (4)	Rank
Belmont	\$9,676	8	\$11,609	19	15.7 to 1	21	96.1	8	92.5	8	1839	5	\$48,421	4	\$89,255	7		
Brookline	N/A		\$17,090	2	12.6 to 1	3	93.9	17	91.4	9	1744	15	\$48,045	6	\$87,970	8		
Concord *MCAS	\$11,074	6	\$16,438	4	12.7 to 1	13	99.0	1	97.0	1	1880	3	\$46,864	10	\$94,123	1		
Dedham	\$5,483	18	\$14,852	11	13.3 to 1	8	90.1	19	84.0	19	1538	20	\$48,573	3	\$78,934	17		
Dover **MCAS	\$12,074	3	\$15,646	8	13.7 to 1	11	97.5	2	93.4	4	1815	8	\$49,993	1	\$89,374	5		
Framingham	\$5,197	19	\$15,675	7	12.6 to 1	3	84.4	21	77.8	21	1567	19	\$47,402	7	\$78,452	19		
Holliston	\$6,754	15	\$12,186	16	13.3 to 1	8	94.4	16	90.7	15	1672	16	\$44,743	17	\$85,067	10		
Hopkinton	\$7,904	13	\$11,921	18	14.7 to 1	16	95.3	9	91.0	13	1746	14	\$45,460	14	\$80,935	15		
Lexington	\$10,032	7	\$15,862	5	11.8 to 1	1	96.2	7	94.3	2	1893	2	\$45,696	13	\$83,762	11		
Medfield	\$8,477	12	\$10,741	21	15.3 to 1	20	95.1	12	89.8	17	1759	12	\$45,211	15	\$83,153	13		
Natick	\$5,561	16	\$12,910	14	14.1 to 1	15	94.8	14	90.8	14	1614	17	\$45,916	12	\$78,763	18		
Needham	\$7,719	14	\$13,245	13	15.2 to 1	19	94.9	13	91.4	9	1822	7	\$45,989	11	\$83,499	12		
Newton	\$8,592	11	\$16,597	3	13.2 to 1	6	94.5	15	91.4	9	1812	10	\$47,070	9	\$85,424	9		
Norwood	\$3,662	20	\$12,790	15	12.8 to 1	5	89.5	20	80.9	20	1493	21	\$43,374	20	\$77,364	21		
Sherborn **MCAS	\$13,119	2	\$15,784	6	13.2 to 1	6	97.5	2	93.4	4	1815	8	\$49,993	1	\$89,374	5		
Walpole	\$5,538	17	\$11,971	17	14.9 to 1	18	93.7	18	86.8	18	1589	18	\$42,343	21	\$79,494	16		
Wayland	\$11,471	4	\$15,219	10	14.0 to 1	14	95.2	11	91.3	12	1850	4	\$45,015	16	\$92,061	3		
Wellesley	\$11,281	5	\$15,392	9	13.3 to 1	8	95.3	9	90.1	16	1831	6	\$48,411	5	\$92,349	2		
Weston	\$15,835	1	\$18,591	1	12.2 to 1	2	96.7	4	93.2	6	1897	1	\$47,199	8	\$90,039	4		
Westwood	\$8,594	10	\$13,814	12	13.8 to 1	12	96.3	6	92.6	7	1756	13	\$44,000	19	\$82,425	14		
Winchester	\$9,167	9	\$11,363	20	14.8 to 1	17	96.7	4	93.8	3	1800	11	\$44,327	18	\$77,819	20		

* - 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

(3) Source: Commonwealth of Massachusetts Department of Education Website. 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; Newton is FY10 data

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 2009/10:

FY10 Expenditures Per Pupil by Function	General Fund Approp (1)	Grants & Revolving	All Fund Total	% of Total	Per Pupil Expenditure	State Average
Administration	3,033,525	82,614	3,116,139	4.35	584.13 (2)	445.41
Instructional Leadership	4,624,489	588,513	\$5,213,002	7.27	977.19 (2)	817.82
Classroom & Specialist Teachers	25,139,231	1,347,623	\$26,486,854	36.96	4,965.01 (2)	4965.51
Other Teaching Services	4,645,274	1,044,166	\$5,689,440	7.94	1,066.50 (2)	962.29
Professional Development	827,623	115,778	\$943,401	1.32	176.84 (2)	226.42
Instructional Materials, Equipment & Technology	1,303,549	995,355	\$2,298,904	3.21	430.93 (2)	391.59
Guidance, Counseling & Testing	2,144,148	127,173	\$2,271,321	3.17	425.76 (2)	359.93
Pupil Services	1,574,400	3,058,856	\$4,633,256	6.47	868.51 (2)	1171.59
Operations & Maintenance	5,853,848	44,822	\$5,898,670	8.23	1,105.72 (2)	1046.75
Insurance, Retirement Programs & Other	10,428,444	174,952	\$10,603,396	14.80	1,987.63 (2)	2199.46
Payments to Out of District Schools	<u>2,856,143</u>	<u>1,651,986</u>	<u>\$4,508,129</u>	<u>6.29</u>	<u>59,552.56 (3)</u>	<u>20,660.22</u>
Total	\$62,430,674	\$9,231,838	\$71,662,512	100.00	\$13,245.33 (4)	13,063.73

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

(2) Based on In District FTE Average Membership = 5334.7

(3) Based on Out of District FTE Average Membership = 75.7

(4) Based on Total FTE Average Membership = 5410.4

Per Pupil Expenditures by Function: FY08-FY10:

FY10 Expenditures Per Pupil by Function, FY08-10	FY08	FY09	FY10	% Chg 08-09	% Chg 09-10	2Yr % Chg 08-10
Administration	\$2,739,719	\$2,985,758	\$ 3,116,139	9.0%	4.4%	13.7%
Instructional Leadership	\$4,747,392	\$4,775,393	\$ 5,213,002	0.6%	9.2%	9.8%
Classroom & Specialist Teachers	\$23,526,692	\$24,647,893	\$ 26,486,854	4.8%	7.5%	12.6%
Other Teaching Services	\$4,897,047	\$5,063,669	\$ 5,689,440	3.4%	12.4%	16.2%
Professional Development	\$753,092	\$736,293	\$ 943,401	-2.2%	28.1%	25.3%
Instructional Materials, Equipment & Technology	\$2,157,754	\$2,062,982	\$ 2,298,904	-4.4%	11.4%	6.5%
Guidance, Counseling & Testing	\$1,972,631	\$2,109,763	\$ 2,271,321	7.0%	7.7%	15.1%
Pupil Services	\$4,578,208	\$4,744,328	\$ 4,633,256	3.6%	-2.3%	1.2%
Operations & Maintenance	\$5,908,428	\$6,148,844	\$ 5,898,670	4.1%	-4.1%	-0.2%
Insurance, Retirement Programs & Other	\$8,918,967	\$9,773,862	\$ 10,603,396	9.6%	8.5%	18.9%
Payments to Out of District Schools	<u>\$4,006,853</u>	<u>\$4,632,959</u>	<u>\$ 4,508,129</u>	<u>15.6%</u>	<u>-2.7%</u>	<u>12.5%</u>
Total Expenditures	\$64,206,783	\$67,681,744	\$71,662,512	5.4%	5.9%	11.6%
Total Average Membership, in and out of District	5,115.40	5,224.50	5,410.40			
Total Expenditure Per Pupil	\$12,552	\$12,955	\$13,245			

Comparative Per Pupil Expenditures, FY01-FY10:

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)
Weston	\$11,018	\$10,909	\$11,404	\$12,077	\$14,414	\$16,073	\$16,467	\$17,017	\$18,023	\$18,591
Brookline	\$10,550	\$10,268	\$10,578	\$11,107	\$13,836	\$14,929	\$15,098	\$15,431	\$16,847	\$17,090
Newton	\$10,116	\$10,140	\$11,140	\$11,431	\$13,533	\$13,822	\$14,524	\$15,498	\$16,243	\$16,597
Concord	\$10,275	\$9,640	\$10,157	\$10,567	\$13,037	\$14,411	\$15,514	\$17,486	\$16,342	\$16,438
Lexington	\$9,568	\$9,482	\$9,686	\$8,797	\$11,929	\$12,600	\$12,768	N/A	\$15,368	\$15,862
Sherborn	\$9,936	\$8,195	\$9,211	\$8,992	\$10,061	\$15,559	\$12,250	\$12,700	\$14,121	\$15,784
Frammingham	\$8,986	\$8,945	\$9,699	\$10,518	\$13,681	\$13,621	\$14,169	\$14,621	\$15,373	\$15,675
Dover	\$9,942	\$8,603	\$9,856	\$10,253	\$12,786	\$15,559	\$14,615	\$15,084	\$16,591	\$15,646
Wellesley	\$9,298	\$9,244	\$9,589	\$9,802	\$11,243	\$11,494	\$12,776	\$13,916	\$14,330	\$15,392
Wayland	\$8,743	\$8,711	\$10,042	\$9,944	\$11,599	\$12,317	\$13,214	N/A	\$14,342	\$15,219
DeDham	\$8,783	\$8,524	\$8,761	\$9,488	\$11,637	\$12,594	\$13,393	\$13,893	\$14,837	\$14,852
Westwood	\$8,839	\$8,976	\$9,564	\$9,747	\$11,592	\$11,885	\$12,436	\$13,305	\$13,679	\$13,814
Needham	\$8,847	\$8,434	\$8,721	\$9,004	\$10,788	\$11,291	\$12,070	\$12,552	\$12,955	\$13,245
State	\$7,874	\$8,005	\$8,273	\$8,591	\$10,626	\$11,211	\$11,865	\$12,497	\$13,055	\$13,064
Natick	\$8,364	\$8,088	\$9,319	\$8,637	\$10,290	\$11,092	\$11,829	N/A	\$12,926	\$12,910
Norwood	\$7,598	\$7,246	\$7,894	\$8,004	\$10,648	\$11,028	\$12,052	N/A	\$12,993	\$12,790
Holliston	\$7,081	\$7,437	\$8,055	\$7,938	\$9,524	\$10,193	\$10,856	\$11,217	\$11,604	\$12,186
Walpole	\$6,940	\$7,641	\$7,230	\$7,603	\$9,437	\$10,277	\$10,470	\$11,232	\$11,812	\$11,971
Hopkinton	\$6,724	\$7,031	\$8,254	\$8,176	\$9,497	\$10,544	\$11,114	\$11,365	\$11,551	\$11,921
Winchester	\$8,390	\$7,937	\$8,278	\$8,646	\$9,884	\$10,139	\$10,886	\$10,865	\$11,290	\$11,363
Medfield	\$6,046	\$6,114	\$6,517	\$6,761	\$8,082	\$8,597	\$9,472	\$9,967	\$10,542	\$10,741
Average of 20	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10
Needham	\$8,758	\$8,551	\$9,154	\$9,337	\$11,339	\$12,345	\$12,754	\$13,450	\$14,039	\$14,341
State Average	\$8,847	\$8,434	\$8,721	\$9,004	\$10,788	\$11,291	\$12,070	\$12,552	\$12,955	\$13,245
	\$7,874	\$8,005	\$8,273	\$8,591	\$10,626	\$11,211	\$11,865	\$12,497	\$13,055	\$13,064

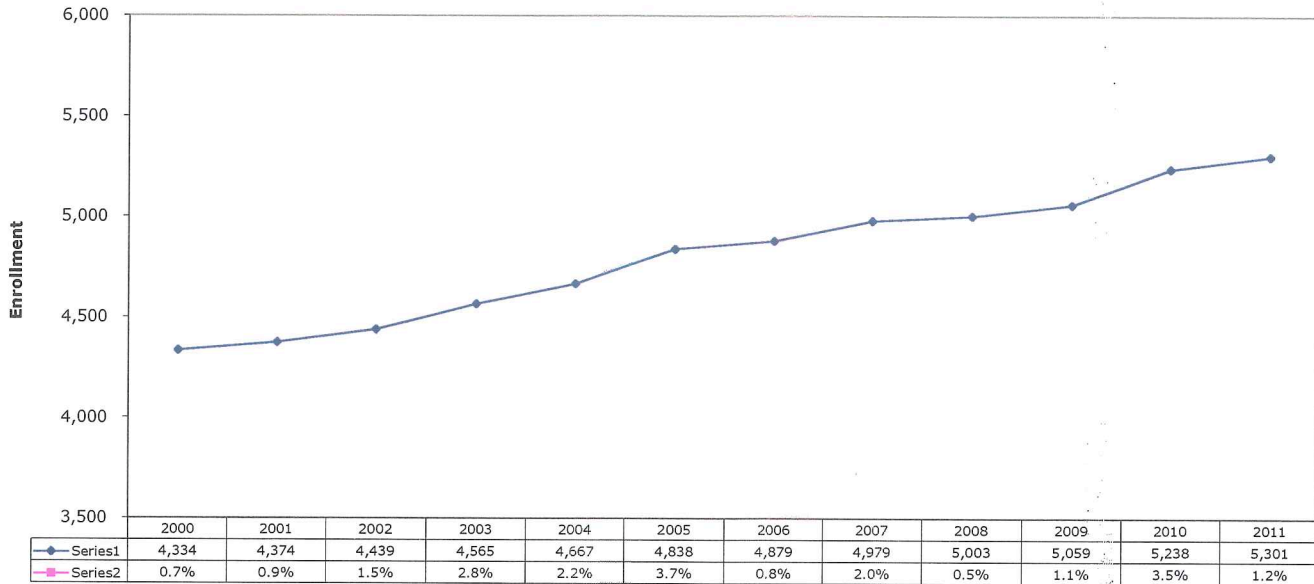
(1) Source: Massachusetts Department of Education. These figures represent "total intergrated education costs" divided by "net average membership," as a measure of "the average cost of education for all children residing in a community, regardless of the district where they attend." Total integrated 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.

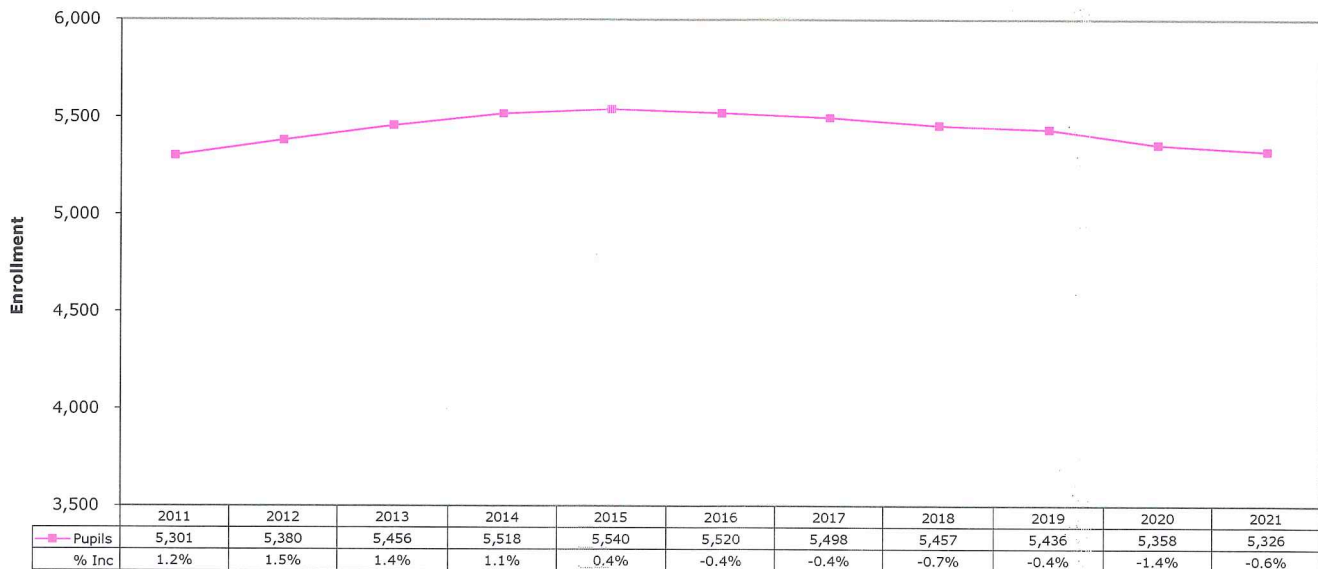
Historical and Projected Enrollment:

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

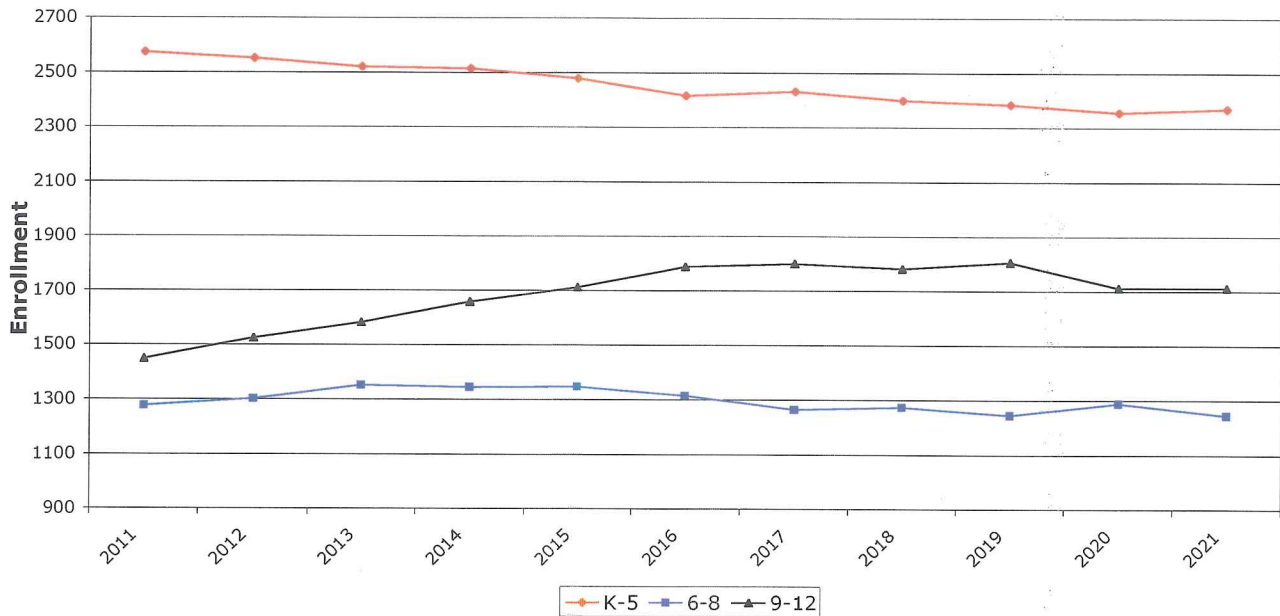


Enrollment in Needham has grown steadily over the past ten years, averaging approximately 1.9% per year, or a total of 927 pupils (21.2%) since FY00/01. Going forward, enrollment growth is expected to flatten out, driven primarily by slowing or declining enrollments at the elementary level. Most of the enrollment growth going forward is projected to occur at the secondary level. However, new development, which expands the affordable housing stock, may accelerate the rate of enrollment growth beyond this estimate.

**Needham Public Schools Enrollment 2010/11 - 2020/21
(Excluding Out of District & Preschool Enrollment)**



Needham Public Schools Enrollment
(Excluding Preschool & Out of District)
2010/11 - 2020/21



The budget assumes that total enrollment will grow to 5,511 in FY12, an increase of 79 students (1.5%) over the current year October 1 enrollment of 5,432 (including Preschool and students placed out of district.) All of this growth is projected to occur at the secondary level, however: elementary enrollment is projected to decline by 0.85% from 2,575 to 2,553; middle school enrollment is expected to rise from 1,277 to 1,302 (2.0%) and High School enrollment is expected to increase by 5.2% from 1,449 to 1,525.

Needham Public School Enrollments FY 2000/01 - 2011/12
Excludes Preschool & Out of District

FY	Elementary	Middle	High	Total	Inc/(Dec)	% Inc/(Dec)
2012 (est.)	2,553	1,302	1,525	5,380	142	2.7%
2011	2,575	1,277	1,449	5,301	242	4.8%
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%

(1) Source: FY94-FY11, Needham Public Schools October 1 enrollments. Exclude preschool & out of district students. FY12, Superintendent's Office/ Future School Needs

Historical and Projected Enrollment by School:

OCTOBER 1, 2011 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	76															76
Broadmeadow		86	79	116	87	107	117									592
Eliot		55	53	73	69	70	83									403
Hillside		80	61	64	73	72	100									450
Mitchell		73	71	84	81	86	71									466
Newman		114	99	102	112	101	114									642
High Rock								430								430
Pollard									448	424						872
High School											405	380	373	367		1525
Out of District															55	55
TOTAL	76	408	363	439	422	436	485	430	448	424	405	380	373	367	55	5511

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

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
Eliot		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

OCTOBER 1, 2007 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		87	103	97	113	101	92									593
Eliot		64	79	60	58	61	69									391
Hillside		53	84	52	61	67	73									390
Mitchell		79	77	81	83	70	68									458
Newman		97	123	128	117	121	112									698
Pollard								363	350	371						1,084
High School											329	379	322	359		1,389
Out of District															52	52
TOTAL	79	380	466	418	432	420	414	363	350	371	329	379	322	359	52	5,134

Enrollment Projection Methodology:

Future school enrollments are projected by the Future School Needs Committee, an advisory committee to Town Meeting.

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 1.0187, which equals 436 (third grade enrollment for 10/11 school year) divided by 428 (second grade enrollment for 09/10 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 1.0143.

Census Data and Kindergarten Methodology

Thirteen years ago, the Committee began using annual census data to project kindergarten enrollment. The prior methodology used the annual birth rates to project the number of kindergarteners 5 years later. The Committee found the prior methodology to be generally reasonable but inconsistent from year to year. The revised 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. Then, the Committee estimates the percentage that will attend public school upon entering kindergarten – a projection methodology that has significantly improved kindergarten accuracy. 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). 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 estimated figure for 2010 is 89%. The FY12 projections were based on an enrollment figure of 90%.

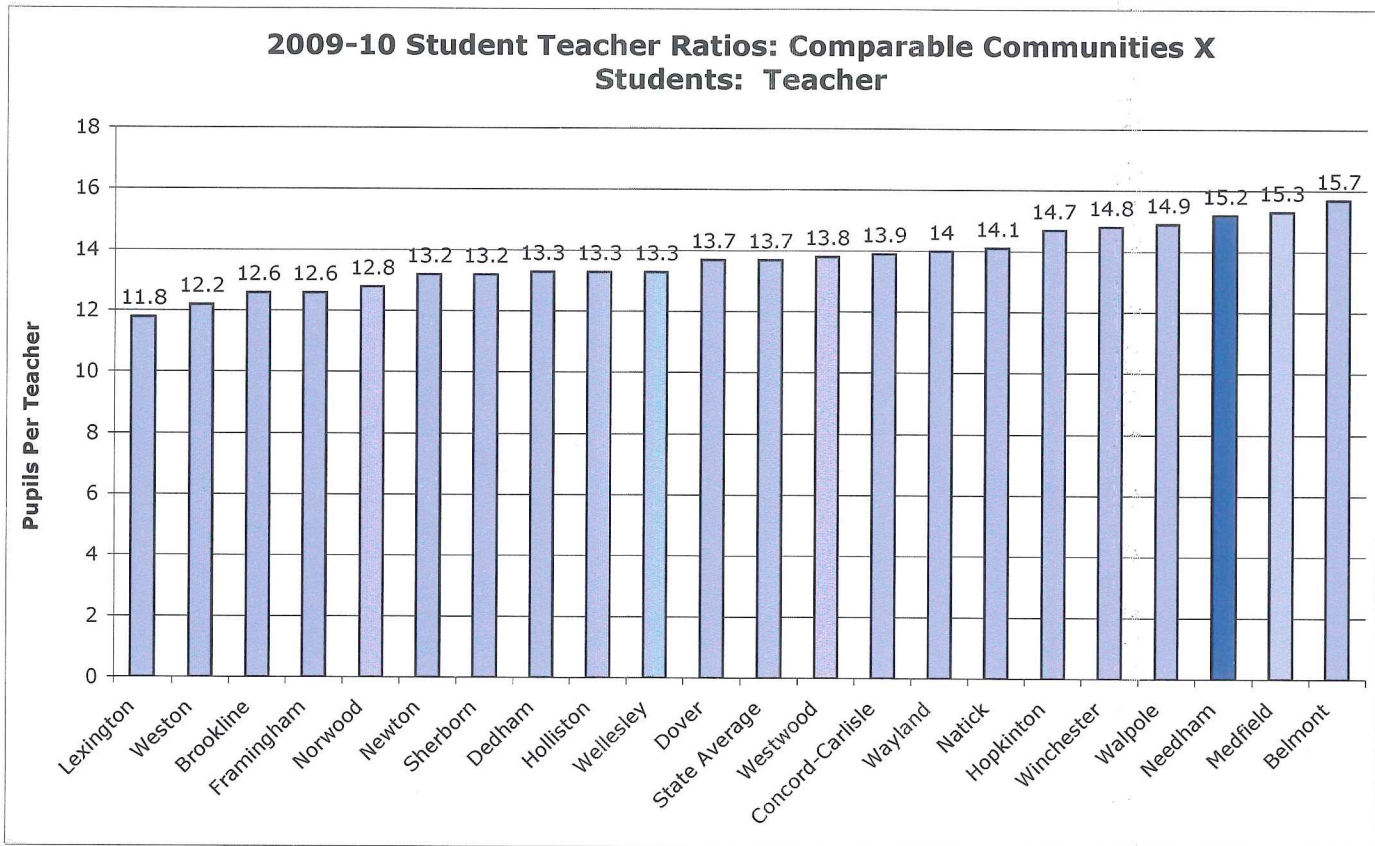
Future Birth Assumptions

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, 2010 data. By the time we reach the kindergarten estimate for the school year 2016/2017 and beyond, the children have not yet been born and our calculation is based entirely on estimates of future births. Therefore, the Committee estimates an expected range for enrollment in 5 years and in 10 years based on alternative assumptions. The ranges are intended to show a reasonable range in future years (both above and below our estimate), but there is no guarantee that the actual enrollment in 10 years will be within the ranges shown. The range for kindergarten is coupled with birth assumptions after fiscal year 2009 of 285 children each year (low-end) and 325 children each year (high-end).

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 FY10, 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 (15.2:1, which includes special education classrooms) also is higher than the average ratio from comparable communities (13.7:1.) Source: MA Department of Education



School Personnel by Budget Component and Fund:

<u>FTE's By Budget Source</u>	<u>FY08 Actual</u>	<u>FY09 Actual</u>	<u>FY10 Actual</u>	<u>FY11 Budget</u>	<u>FY12 Budget</u>	<u>Inc/(Dec)</u>	<u>% Inc/(Dec)</u>	<u>% TL FY12</u>
<u>Operating</u>								
Administrators	31.65	32.24	33.79	33.59	33.90	0.31	0.9%	5.4%
Teachers	403.49	409.56	416.49	414.91	423.90	8.99	2.2%	67.9%
Aides	115.28	111.12	119.87	116.86	106.31	-10.55	-9.0%	17.0%
<u>Clerical (and Bus)</u>	<u>56.77</u>	<u>55.37</u>	<u>55.42</u>	<u>53.09</u>	<u>60.27</u>	<u>7.18</u>	<u>13.5%</u>	<u>9.7%</u>
Grand Total	607.19	608.29	625.57	618.45	624.38	5.93	1.0%	100.0%
<u>Grant</u>								
Administrators	4.00	4.00	4.00	4.10	4.00	-0.10	-2.4%	8.2%
Teachers	11.35	12.17	16.80	11.84	11.28	-0.56	-4.7%	23.2%
Aides	18.15	23.13	24.66	25.12	31.30	6.18	24.6%	64.4%
<u>Clerical (and Bus)</u>	<u>2.86</u>	<u>3.00</u>	<u>4.43</u>	<u>2.00</u>	<u>2.00</u>	<u>0.00</u>	<u>0.0%</u>	<u>4.1%</u>
Grand Total	36.36	42.30	49.89	43.06	48.58	5.52	12.8%	100.0%
<u>Revolving</u>								
Administrators	5.57	5.02	5.84	5.63	5.63	0.00	0.0%	8.7%
Teachers	8.55	8.55	9.25	8.41	9.08	0.67	8.0%	14.0%
Aides	39.38	37.37	45.04	42.56	42.53	-0.03	-0.1%	65.5%
<u>Clerical (and Bus)</u>	<u>5.31</u>	<u>4.75</u>	<u>4.99</u>	<u>7.53</u>	<u>7.74</u>	<u>0.21</u>	<u>2.8%</u>	<u>11.9%</u>
Grand Total	58.81	55.69	65.12	64.13	64.98	0.86	1.3%	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%
<u>Clerical (and Bus)</u>	<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	0.00	0.01	0.01	100.0%	100.0%
<u>Total</u>								
Administrators	41.22	41.26	43.63	43.32	43.53	0.21	0.5%	5.9%
Teachers	423.39	430.28	442.54	435.16	444.26	9.10	2.1%	60.2%
Aides	172.81	171.62	189.57	184.54	180.14	-4.40	-2.4%	24.4%
<u>Clerical (and Bus)</u>	<u>64.94</u>	<u>63.12</u>	<u>64.84</u>	<u>62.62</u>	<u>70.01</u>	<u>7.39</u>	<u>11.8%</u>	<u>9.5%</u>
Grand Total	702.36	706.28	740.58	725.64	737.94	12.30	1.7%	100.0%

FTE By Fund	FY08 Actual	FY09 Actual	FY10 Actual	FY11 Budget	FY12 Budget	Inc/(Dec)	% Inc/(Dec)	% TL FY12
Operating								
Fund 1000 (General Fund)	<u>607.19</u>	<u>608.29</u>	<u>625.57</u>	<u>618.45</u>	<u>624.38</u>	<u>5.93</u>	<u>1.0%</u>	<u>84.6%</u>
Subtotal	607.19	608.29	625.57	618.45	624.38	5.93	1.0%	84.6%
Grant								
Fund 2003 (Federal Grant)	23.90	27.30	37.02	32.10	37.72	5.62	17.5%	5.1%
Fund 2004 (State Grant)	11.46	14.00	12.87	10.96	10.86	-0.10	-0.9%	1.5%
Fund 2552 (Local Grant)	<u>1.00</u>	<u>1.00</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>
Subtotal	36.36	42.30	49.89	43.06	48.58	5.52	12.8%	6.6%
Revolving								
Fund 2303 (Transportation)	1.00	1.50	1.29	1.29	1.50	0.21	16.3%	0.2%
Fund 2350 (General Fee)	29.57	25.62	30.28	28.86	30.36	1.50	5.2%	4.1%
Fund 2351 (Athletics)	0.00	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
Fund 2550 (Food Service)	27.29	27.32	32.39	32.82	31.96	-0.86	-2.6%	4.3%
Fund 2551 (Adult Education)	0.95	1.25	1.16	1.16	1.16	0.00	0.0%	0.2%
Fund 2553 (Staff Developme)	<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>
Subtotal	58.81	55.69	65.12	64.13	64.98	0.85	1.3%	8.8%
Capital								
Capital Fund	<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>
Subtotal	0.00	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
Grand Total	702.36	706.28	740.58	725.64	737.94	12.30	1.7%	100.0%

Plans of High School Graduates:

Plans of High School Graduates (Percent)

Year	Number of Graduates	Four Year Colleges (%)	Two Year Colleges (%)	Military (%)	Work (%)	Other (%)
2010	357	93.4	3.1	0.3	1.0	2.2
2009	304	93.0	0.7	0.0	1.0	5.2
2008	339	93.0	1.5	0.6	2.1	2.7
2007	323	94.0	1.0	0.0	1.0	4.0
2006	320	93.0	0.9	0.6	1.9	1.6
2005	332	90.3	3.0	0.6	4.5	1.6
2004	289	90.3	4.2	0.3	4.1	1.1
2003	301	92.0	2.7	0.3	3.4	1.6
2002	260	85.7	5.0	1.5	6.6	1.2
2001	272	88.2	2.6	3.0	3.3	2.9
2000	267	86.9	3.4	1.5	2.6	5.6
1999	246	83.7	3.7	1.2	8.1	0.0
1998	256	89.9	1.2	0.0	4.3	0.1
1997	231	84.5	2.6	1.3	1.3	6.9
1996	229	79.6	8.3	0.0	1.7	7.0
1995	231	86.7	5.2	0.4	2.1	2.6
1994	227	82.9	4.8	1.3	0.9	4.4

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

State and National Testing Results:

Ten Year Comparison of SAT Scores:

Comparison of SAT Scores

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

Source: College Board and 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 (%)
10-2010	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
10-2008	Needham	100	59	36	3	2
	State	99	23	51	21	4
08-2008	Needham	100	22	67	8	3
	State	100	12	63	18	7
07-2008	Needham	99	29	62	6	2
	State	100	12	57	23	8
06-2008	Needham	99	35	54	9	1
	State	99	15	52	24	8
05-2008	Needham	100	23	62	13	2
	State	99	13	48	30	8
04-2008	Needham	99	12	50	34	3
	State	101	8	41	39	13
03-2008	Needham	100	28	48	21	3
	State	100	15	41	33	11
10-2007	Needham	101	50	45	5	1
	State	101	22	49	24	6
08-2007	Needham	100	25	69	5	1
	State	99	12	63	18	6
07-2007	Needham	99	21	67	9	2
	State	100	9	60	23	8
06-2007	Needham	101	17	71	12	1
	State	99	9	58	25	7
05-2007	Needham	100	37	50	11	2
	State	100	15	48	28	9
04-2007	Needham	100	17	60	21	2
	State	100	10	46	34	10

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

MCAS Reading:

Grade/ Year	Enrolled	% Tested	Above Proficient (%)	Proficient (%)	Needs Imp'vment (%)	Warning (%)
03-2010	Needham State		No Reading in 10			
03-2009	Needham State		No Reading in 09			
03-2008	Needham State		No Reading in 08			
03-2007	Needham State		No Reading in 07			
03-2006	Needham State	100 100	32 18	46 40	20 34	1 8
03-2005	Needham State	99 99	N/A N/A	80 62	19 31	1 7
03-2004	Needham State	100 99	N/A N/A	78 63	19 30	3 6
03-2003	Needham State	99 99	N/A N/A	73 63	23 30	4 7
03-2002	Needham State	99 98	N/A N/A	78 67	20 27	2 6
03-2001	Needham State	100 100	N/A N/A	82 62	16 31	2 7

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

MCAS Mathematics:

Grade/ Year	Enrolled	% Tested	Advanced (%)	Proficient (%)	Needs Imp'vment (%)	Failing/ Warning (%)
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
10-2008	Needham	99	78	15	5	1
	State	100	43	29	19	9
08-2008	Needham	100	38	35	18	9
	State	100	19	30	27	24
07-2008	Needham	99	32	45	18	4
	State	100	15	32	29	24
06-2008	Needham	100	46	35	15	4
	State	100	23	33	26	18
05-2008	Needham	100	39	35	23	3
	State	99	22	30	30	17
04-2008	Needham	100	29	34	33	4
	State	100	20	29	38	13
03-2008	Needham	100	40	41	15	4
	State	100	25	36	25	14
10-2007	Needham	100	74	17	8	1
	State	100	42	27	22	9
08-2007	Needham	101	39	35	19	8
	State	100	17	28	30	25
07-2007	Needham	100	38	40	16	6
	State	100	15	31	30	24
06-2007	Needham	100	32	46	18	4
	State	100	20	32	28	20
05-2007	Needham	100	40	40	16	4
	State	100	19	32	31	18
04-2007	Needham	100	30	33	34	3
	State	100	19	29	39	13
03-2007	Needham	100	32	50	15	3
	State	100	19	41	24	16

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

MCAS History & Social Science:

Grade/ Year	Enrolled	% Tested	Advanced (%)	Proficient (%)	Needs Imp'vment (%)	Warning (%)
2010	No History / Social Science Testing in 2010					
2009	No History / Social Science Testing in 2009					
2008	No History / Social Science Testing in 2008					
2007	No History / Social Science Testing in 2007					
2006	No History / Social Science Testing in 2006					
2005	No History / Social Science Testing in 2005					
2004	No History / Social Science Testing in 2004					
2003	No History / Social Science Testing in 2003					
08-2002	Needham	98	3	27	59	11
	State	98	1	11	46	22
08-2001	Needham	99	4	21	63	11
	State	100	1	10	48	41

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

MCAS Science & Technology:

Grade/ Year	Enrolled	% Tested	Advanced (%)	Proficient (%)	Needs Improvement (%)	Failing (%)
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
05-2008	Needham	100	22	39	36	3
	State	100	17	33	38	12
08-2008	Needham	99	5	59	29	6
	State	100	3	36	39	22
10-2008	Needham	100	31	56	11	2
	State	100	14	43	31	12
09-2007	Needham	100	31	57	11	1
	State	100	8	34	34	24
10-2007	Needham	100	27	45	20	8
	State	90	14	24	30	22
10-2006	No Science/ Technology Testing in 2006					
08-2006	Needham	100	13	53	26	8
	State	100	4	28	43	25
05-2006	Needham	100	26	39	32	2
	State	100	17	33	39	11
04-2006	No Science/ Technology Testing in 2006					
10-2005	No Science/ Technology Testing in 2005					
08-2005	Needham	100	11	50	27	12
	State	98	4	29	41	26
05-2005	Needham	99	24	42	30	4
	State	99	16	35	38	12
04-2005	No Science/ Technology Testing in 2005					
10-2004	No Science/ Technology Testing in 2004					
08-2004	Needham	100	18	48	25	10
	State	99	5	28	36	31
05-2004	Needham	100	29	45	24	2
	State	99	20	35	33	13
04-2004	No Science/ Technology Testing in 2004					
10-2003	No Science/ Technology Testing in 2003					
08-2003	Needham	100	10	50	30	9
	State	98	4	28	37	31
05-2003	Needham	98	31	41	24	5
	State	99	18	33	34	15
04-2003	No Science/ Technology Testing in 2003					

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

Class of 2010 Profile: Schools Attended by G.P.A. & SAT

5.0-4.75(CR729,M731,W731)

Boston University
 Brigham Young University
 Brown University
 Colby College (2)
 Colgate University
 College of William and Mary
 Cornell University
 Duke University
 Georgetown University
 Haverford College
 Kenyan College
 Lehigh University
 New York University
 Pomona College
 Princeton University
 Tufts University
 University of Chicago
 University of Massachusetts, Amherst
 University of Michigan
 University of Pennsylvania
 Yale University (2)

4.74-4.50(CR677,M698,W703)

Babson College
 Bates College
 Boston College (3)
 Case Western Reserve University
 Colby College
 Columbia University
 College of the Holy Cross
 Connecticut College (2)
 Haverford University
 Loyola University Maryland
 Siena College
 Skidmore College
 Smith College
 Tufts University (4)
 University of Delaware
 University of Massachusetts, Amherst (2)
 University of Pennsylvania
 University of Rochester
 Vanderbilt University
 Vassar College
 Villanova University (2)
 Wake Forest University
 Washington University in St. Louis (2)
 Wesleyan University
 Williams College

4.49-4.25(CR632,M649,W665)

Babson College

Bates College (2)
 Boston College (2)
 Boston University (2)
 Bucknell University
 Colby College
 College of the Holy Cross (2)
 Connecticut College (4)
 Cornell College
 Dickinson College
 Elon University
 Ithaca College
 Lehigh University
 New York University
 Northeastern University (5)
 Pennsylvania State University (2)
 Rensselaer Polytechnic University
 Rhodes College
 Skidmore College
 Syracuse University
 The College of Woster
 Trinity College
 Union College
 University of Connecticut (2)
 University of Illinois at Urbana-Champaign
 University of Maryland (2)
 University of Massachusetts, Amherst (3)
 University of Michigan
 University of New Hampshire
 University of Rochester (2)
 University of Vermont
 University of Wisconsin (2)
 Villanova University
 Washington University in St. Louis (2)

4.24-4.0 (CR604,M627,W626)

Babson College
 Boston College
 Boston University (3)
 Brandeis University
 Colorado College
 Denison University
 Dickinson College
 Fairfield University
 Franklin W. Olin College of Engineering
 Ithaca College
 Lafayette College
 Loyola University - Maryland
 James Madison University
 New York University
 The George Washington University

Northeastern University (3)
 Perdue University
 Saint Anselm University
 Saint Michaels College
 Skidmore College
 Syracuse University (4)
 The George Washington University (3)
 Tulane University
 Union College
 University of California at Santa Barbara
 University of Connecticut (2)
 University of Delaware
 University of Illinois at Urbana-Champaign
 University of Maryland
 University of Massachusetts, Amherst (12)
 University of New Hampshire
 University of Richmond (2)
 University of Rochester
 University of Toronto
 University of Vermont (3)
 Wheaton College

3.99-3.75 (CR595,M582,W585)

Aldephi University
 Alfred University
 Burklee College of Music
 Boston University (2)
 Bucknell University
 Clemson University
 College of Charleston
 Creighton University
 Fitchburg State College
 Framingham State College
 George Mason University
 Gettysburg College
 Lawrence University
 Northeastern University (2)
 Pennsylvania State University
 Providence College
 Salve Regina University
 Simmons College
 Syracuse University
 University of Connecticut (2)
 University of Maryland
 University of Massachusetts, Amherst (9)
 University of Vermont (3)
 Wentworth Institute of Technology (2)
 Wheaton College

Class of 2010 Profile: Schools Attended by G.P.A. & SAT

3.74-3.50(CR562,M556,W552)

Binghamton University
Boston University
College of Charleston
Drew University
Hampshire College
Hobart and William Smith Colleges
Loyola University Maryland
Merrimack College
Ohio Wesleyan University
Regis College
San Diego State University
Stonehill College (2)
Susquehanna University
Syracuse University
University of Colorado at Boulder
University of Colorado at Colorado Springs
University of Massachusetts, Amherst (4)
University of New Hampshire (3)
University of Ottawa
University of Rhode Island (2)
University of Vermont
Wentworth Institute of Technology
Westfield State College

3.49&Below(CR521,M522,W512)

Alfred University
Arizona State University
Asbury College
Bay Path College
Becker College
Bennington College
Boston University
Bridgewater State College (3)
Coastal Carolina University (2)
Curry College
Dean College
Drew University
Emmanuel College
Fisher College
Fitchburg State College
Framingham State College (2)
Franklin Pierce University
Johnson & Wales University (3)
Massachusetts Bay Community College (8)
Massachusetts College of Liberal Arts
Massachusetts College of Pharmacy & Health Services

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Massachusetts Maritime Academy
Michigan State University
Montana State University, Bozeman
Newbury College
Northeastern University (2)
Nova Southeastern University
Otterbein College
Plymouth State University
Rochester Institute of Technology
Roger Williams University (5)
Sacred Heart University
Saint Michaels College
Salem State College
Salve Regina University
Syracuse University
The Art Institute of Houston
The Evergreen State College
The University of Tampa
The University of the Arts
University of California at Davis
University of Colorado at Boulder
University of Hartford (3)
University of Massachusetts, Amherst
University of Massachusetts, Boston (3)
University of Massachusetts, Lowell (4)
University of New Hampshire
University of New Haven
University of Vermont
Wentworth Institute of Technology (2)
West Virginia University (2)
Western New England College
Westfield State College (5)
Wheeling Jesuit University
Whittier College
Wittenberg University
Worcester State College

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
METCO	603,640	\$621,160	\$624,040	\$573,160	\$633,475	\$736,821	\$838,128	\$870,157	\$839,875	\$796,641	\$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 IIA - 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			Now IIA&V								\$2,953
Class Size Reduction Program	34,390	\$42,549			\$6,000		\$12,000				
SPED Corrective Action			\$3,500								
Early Childhood Curriculum/IEP Study Group			\$3,285								
Early Childhood Increasing Capacity			\$7,000								
Early Childhood Mental Health			\$395								
Limited English Proficient Assessments			\$32,387	\$48,169	\$54,113	\$40,709	\$36,084	\$32,131	\$33,820	\$27,909	\$24,238
Title I for Delinquent/Neglected* - Walker School		\$28,337							\$643,484	\$580,867	\$457,937
ARRA - SF5F Recovery Grant										\$560,984	\$803,002
ARRA - IDEA Special Education (School Age)										\$26,952	\$0
ARRA - IDEA Special Education (Preschool)											
Education Jobs											
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*		\$0	\$3,000		\$40,000	\$16,000	\$14,900				\$7,500
Academic Support Services (MCAS Tutoring)	36,100	\$28,700	\$119,549	\$119,549	\$2,553	\$3,830	\$4,700	\$12,700	\$12,100	\$10,900	\$9,800
Community Service Learning	16,000	\$16,000	\$31,400	\$3,200	\$12,000	\$10,000					
Full-Day Kindergarten Enhancement	18,000	\$18,000	\$15,840	\$15,089	\$29,494	\$14,975	\$14,900				
Early Childhood Mental Health					\$40,000						
Early Childhood Language & Literacy Development											
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 Mass Insight/Microsoft/Lesley test data analysis software donation			\$60,000								
Higher Education Harvard Volunteer Consulting Team Olin College	In-kind		In-kind	In-kind In-kind	In-kind In-kind	In-kind	In-kind	In-kind			
Foundation MetroWest Community Health Care Foundation MetroWest Obesity Grant Needham Education Foundation Spring grants Needham Education Foundation Autumn grants Needham Education Foundation large grants Needham Education Foundation Collaborative Init. Needham Education Found Out of Cycle Jason Foundation MA Biotechnology Ed Found BioTech Award Smart Technologies Needham Cong Church-Steps to Success	46,000 73,174 28,100	\$50,000 \$44,376 \$15,000	\$75,135 \$15,000	\$35,135 \$57,710 \$22,791 \$30,000	\$10,000 \$38,754 \$33,477 \$26,115	\$55,000 \$32,650 \$30,923 \$32,252 \$28,941 \$54,313	\$55,000 \$32,650 \$30,923 \$32,252 \$28,941 \$54,313 \$10,000 \$9,000	\$55,000 \$32,650 \$30,923 \$32,252 \$28,941 \$54,313 \$10,000 \$9,000	\$25,000 \$26,769 \$57,592 \$40,342 \$13,927 \$0	\$0 \$29,191 \$51,895 \$0 \$0	\$59,500 \$73,410 \$28,276 \$61,394 \$0
Norfolk County District Attorney's Office Post-Graduation Safe Activities		\$250					\$250	\$250	\$0	\$0	\$0
MA Department of Public Health Enhanced School Health Services DPH Public Health (Pass Through)	106,000	\$106,000	\$66,027	\$58,604	\$58,604	\$64,049	\$72,395	\$72,395 \$25,000	\$148,000 \$0	\$121,360 \$0	\$121,360 \$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 Yellow Bus MA Travel & Tourism (Riverside Contract Subtotal		\$11,452					\$8,000	\$8,000	\$200		
	\$262,774	\$263,078	\$216,412	\$204,240	\$166,950	\$234,555	\$362,597	\$382,454	\$285,061	\$202,446	\$388,450

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	14,124
2011 Unemployment Rate	4.4
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 (Per \$1000 of Assessed Value)
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		% 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 2008	4,110
Fiscal Year 2009	4,250
Fiscal Year 2010	4,390

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 Report for Needham

Massachusetts Department of Revenue
Division of Local Services
FY2005 - 2011 Multi-Year At-A-Glance Report

NEEDHAM

Fiscal Year	Assessed Values					Total
	Residential	Open Space	Commercial	Industrial	Personal Property	
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

Fiscal Year	Tax Levy					Total
	Residential	Open Space	Commercial	Industrial	Personal Property	
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

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

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	

Fiscal Year	Proposition 2 1/2 Levy Capacity					Override Capacity	
	New Growth	Override	Exclusion	Levy Limit	Excess Capacity	Ceiling	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

Fiscal Year	Reserves		Fiscal Year	Stabilization Fund
	Free Cash	Overlay Reserve		
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

Massachusetts Department of Revenue Historical At A Glance Report for Needham

Massachusetts Department of Revenue
Division of Local Services
FY2005 - 2011 Multi-Year At-A-Glance Report

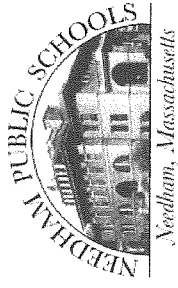
NEEDHAM

Average Single Family Tax Bills Assessed					
Fiscal Year	Parcels	Value	Average Value	Tax Bill	State Average
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	

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.

Estimated Cherry Sheet Aid

Fiscal Year	Education Aid	General			Total	Net State Aid
		Government	Total Receipts	Assessments	Assessments	
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	



Needham Public Schools

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

November 13, 2010

To: Needham School Committee
From: Anne Gulati, Director of Financial Operations; Michael Greis, School Committee; Marianne Cooley, School Committee
Re: FY 2011/12 – 2015/16 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 FY 12 budget picture presents special challenges, due both to the continued difficult economic climate the Town finds itself in and increasing secondary school enrollments. 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 in FY 12. 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 2011/12 – 2015/16 Expenditure "Needs" Projection

FY12-16 PROJECTION	2011*	2012	2013	2014	2015	2016	AVG ANN INC
SALARIES							
Base Salary Cost (Existing FTE's)	40,629,463	41,473,298	43,119,716	44,970,539	46,813,058	48,702,767	
Cost of New Positions (Cumulative)	0	1,408,114	1,821,504	2,392,920	2,730,888	2,679,248	
Subtotal Salaries	40,629,463	42,881,412	44,941,220	47,363,459	49,543,946	51,382,015	
% Inc/(Dec) From Prior Year	2.2%	5.5%	4.8%	5.4%	4.6%	3.7%	4.8%
SUPPLIES & SERVICES							
SPED Tuition & Professional Services	2,994,446	4,005,885	4,298,114	4,611,980	4,949,117	5,311,283	
Transportation	1,173,171	1,344,718	1,428,614	1,519,107	1,569,802	1,622,916	
Other Supplies & Services	1,626,977	1,868,628	1,893,030	1,918,864	1,930,712	1,930,063	
Subtotal Supplies & Services	5,794,593	7,219,232	7,619,758	8,049,951	8,449,632	8,864,263	
% Inc/(Dec) From Prior Year	2.7%	24.6%	5.5%	5.6%	5.0%	4.9%	9.1%
Grand Total	46,424,078	50,100,644	52,560,978	55,413,410	57,993,578	60,246,278	
\$ Inc/(Dec) From Prior Year	1,041,193	3,676,566	2,460,334	2,852,433	2,580,167	2,252,700	
% Inc/(Dec) From Prior Year	2.3%	7.9%	4.9%	5.4%	4.7%	3.9%	5.4%
Grand Total FTE	618.45	644.43	651.88	663.22	670.50	670.92	
FTE Inc/(Dec) From Prior Year	(2.90)	25.98	7.45	11.35	7.28	0.41	
PROJECTED SCHOOL REV @ TOWN PRO FORMA	46,424,078	47,573,980	49,180,405	50,844,499	52,641,493	54,549,006	-
\$ INC/(DEC) FROM PRIOR YEAR	1,041,193	1,149,902	1,606,424	1,664,095	1,796,994	1,907,513	
% INC/(DEC) FROM PRIOR YEAR	2.3%	2.5%	3.4%	3.4%	3.5%	3.6%	3.3%
CUMULATIVE SURPLUS/(DEFICIT) INCREMENTAL GAP	(0)	(2,526,664)	(3,380,573)	(4,568,911)	(5,352,084)	(5,697,271)	
		(2,526,664)	(853,910)	(1,188,338)	(783,173)	(345,187)	
PROJECTED SCHOOL REV @ 4.5% 'HISTORICAL'	46,424,078	48,513,162	50,696,254	52,977,585	55,361,577	57,852,847	
\$ INC/(DEC) FROM PRIOR YEAR	1,041,193	2,089,084	2,183,092	2,281,331	2,383,991	2,491,271	
% INC/(DEC) FROM PRIOR YEAR	2.3%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
CUMULATIVE SURPLUS/(DEFICIT) INCREMENTAL GAP	(0)	(1,587,482)	(1,864,724)	(2,435,825)	(2,632,001)	(2,393,430)	
		(1,587,482)	(277,241)	(571,101)	(196,176)	238,571	

* FY11 reflects November STM additional appropriation of \$310,000 for teacher salaries. Excludes additional appropriation of \$117,000 for Pollard Improvements.

FY 2011/12 – 2015/16 Projected Staff Growth to Meet Enrollment, Mandates and Other Needs

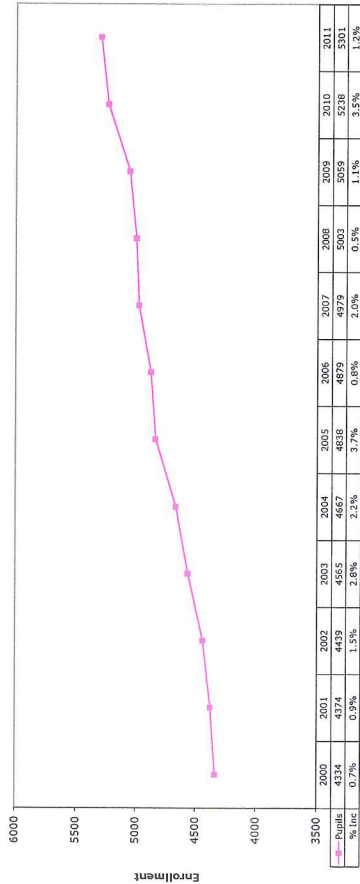
Positions	Base 10/11	11/12	12/13	13/14	14/15	15/16	Projected Total Change	Cumulative Total
<i>Classroom Teachers</i>								
Broadmeadow	24.00	-	(0.50)	(0.50)	-	(1.00)	(2.00)	22.00
Eliot	16.50	-	(1.00)	1.50	0.50	-	1.00	17.50
Hillside	19.50	0.50	(1.00)	1.00	(0.50)	-	-	19.50
Mitchell	21.00	1.00	-	-	(0.50)	(1.00)	(0.50)	20.50
Newman	29.50	(2.00)	(1.00)	(0.50)	(0.50)	-	(4.00)	25.50
High Rock/ Pollard	54.00	3.00	1.00	(1.00)	1.00	(2.00)	2.00	56.00
High School	60.60	9.65	2.75	3.50	2.50	3.50	21.90	82.50
Subtotal Classroom Teachers	225.10	12.15	0.25	4.00	2.50	(0.50)	18.40	243.50
<i>Other Staff</i>								
Specialists	85.01	8.72	1.55	0.65	1.58	(1.29)	11.21	96.22
Technicians	6.50	-	-	2.00	-	-	2.00	8.50
Guidance	23.00	1.00	-	1.00	-	-	2.00	25.00
Nurse	7.61	-	0.20	-	-	-	0.20	7.81
SPED/Psych	58.16	1.00	1.50	1.50	-	-	4.00	62.16
SPED TA	96.63	0.60	2.00	2.00	2.00	2.00	8.60	105.23
OT/PT	4.46	-	0.50	-	0.50	-	1.00	5.46
Clerical	33.64	-	-	-	-	-	-	33.64
MS/HS SPED DIR	2.00	-	-	-	-	-	-	2.00
House Admin	2.00	-	-	-	-	-	-	2.00
Dept Head	3.30	-	-	-	-	-	-	3.30
Asst Prin (HS)	3.50	-	1.25	-	-	-	1.25	4.75
Principal	8.00	-	-	-	-	-	-	8.00
Other District	59.19	2.51	0.20	0.20	0.70	0.20	3.81	63.00
Grand Total	618.45	25.98	7.45	11.35	7.28	0.41	52.47	670.57
Annual \$ Cost	40,629,484	1,408,114	413,390	571,416	337,968	-51,641	2,679,248	
Cumulative \$ Cost		1,408,114	1,821,504	2,392,920	2,730,888	2,679,248	2,679,248	

Assumptions

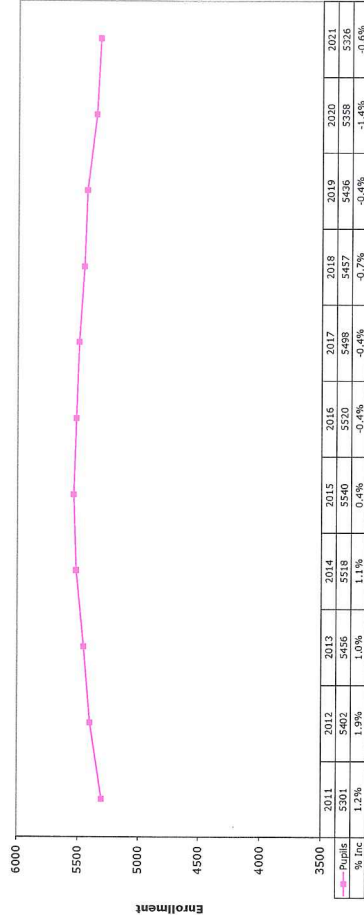
Enrollment Growth

Since September 1999, enrollment has increased by 967 students, or 22.3% - the equivalent of two large elementary schools - at an average of about 2.0% per year. Over the next ten 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.

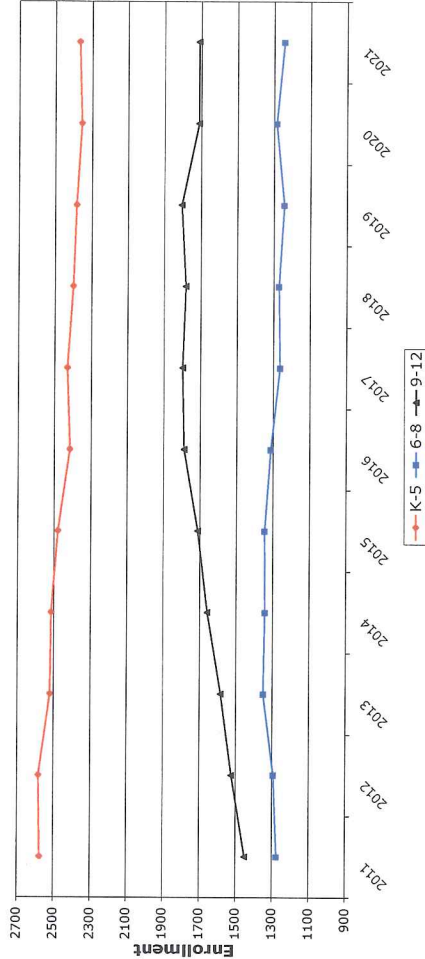
Needham Public Schools Enrollment 1999/2000-2010/11
(Excluding Out of District & Preschool Enrollment)



Needham Public Schools Enrollment 2010/11 - 2020/21
(Excluding Out of District & Preschool Enrollment)



Needham Public Schools Enrollment
(Excluding Preschool & Out of District)
2010/11 - 2020/21



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

Salary Expenses:

Salary costs represent the largest portion (87.5%) 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 (618.45 FTE.) Step, lane and cost of living increases are included. The following cost of living increases for teachers are assumed: 0.25% in FY12 and 2% in FY12 (reflecting the FY11-13 settled contract.) Subsequent year increases represent 'typical' settlements of 2.5%/year. Administrator, instructional assistant and clerical contracts currently are under negotiation for FY12-FY14. As a 'placeholder', administrator cost of living adjustments are assumed to follow the aforementioned teacher increases, while instructional aide and clerical contracts are assumed grow at 2.5%/year. The projection also assumes five teacher retirements and seven teacher resignations, per year. (Last year's forecast assumed eight annual retirements and 27 annual resignations. The new assumptions reflect actual data, which show that not only are the numbers down for both, but that the number of high step teachers who are leaving also is down.) The total savings are estimated to be approximately \$125,300 from retirements and \$161,300 from resignations, annually. Lane changes reflect prior year experience, at a cost of approximately \$220,000/year. Other compensation is projected to grow at the following rates:

	2012	2013	2014	2015	2016
Curricular Stipends & Coaches	0.250%	2.000%	2.500%	2.500%	2.500%
Occupational/ Physical Therapists	10.00%	10.00%	10.00%	10.00%	10.00%
Professional & Curriculum Development	0.00%	0.00%	14.29%	0.00%	0.00%
Substitutes	0.00%	10.868%	9.803%	8.928%	8.196%
Technology Support	5.00%	5.00%	5.00%	5.00%	5.00%
Unit C & Other Instructional Aides	4.70%	4.70%	4.70%	4.70%	4.70%
Unit D + Other Clerical and Administrative Support	5.00%	5.00%	5.00%	5.00%	5.00%

Staff Growth:

The model forecasts the need for a total of 52.47 FTE positions over the next five years, which includes: 30.86 FTE to meet enrollment growth at the Middle and High Schools; 19.40 FTE to provide student support in the areas of special education, guidance, nursing and English Language Learner (ELL) support; 2.0 FTE computer technicians to support a planned 1:1 computing model at the middle and high schools, and a 0.21 FTE expanded transportation clerical position need to provide dispatch support for the portions of the contract transportation program brought in-house during FY11 and FY12. These positions are discussed below.

Enrollment-Related Positions:

Although overall enrollment growth is expected to 'flatten out' to an average of 0.8% over the next five years, the model forecasts the need for 30.86 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 FY12, which shows a 'bump' of 20.87 FTE classroom teachers and specialists. This increase reflects the fact that staffing reductions made during the current and prior years due to budget constraints, have increased existing class sizes above the average class size assumptions used in the model of 23 students/class at the middle schools and 21.7 students/class at the High School. (The FY11

Pollard Middle School class size report indicates that the average class size in Grade 7 is 25 students and in Grade 8 is 27 students. At the High School, 56% of all sections have class sizes in excess of 22 students: 25% of sections have between 22-24 students, 23% have between 25-27 students and 8% have 28 students or more.) The FY12 projection 'corrects' for this discrepancy by increasing the number of 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 5.5 FTE over the next five years, based on the projected decline in elementary enrollments. The number of elementary specialists is projected to decrease by 0.55 FTE. A 0.25 FTE increase in the Broadmeadow Elementary Assistant Principal position is projected for FY 13, to provide more appropriate staffing for the student population at that school.

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	Specialist Staffing
Music:	Based on 1200 min/FTE
K	
1-3	
4-5	
4-5 Chorus	
Art:	
1-4	
5	
Media:	
K	
1-2	
3-5	
Physical Education:	
K	
1-2	
3-5	

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. Each cluster is staffed by four teachers, at the aforementioned class sizes. 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
Core	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 3.0 FTE middle school cluster teachers and 7.76 FTE specialists will be needed to meet both existing demand 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 increase of 2.0 FTE cluster teachers and 7.05 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 21.9 FTE additional teachers in English, Math, Social Studies and Science, and 4.7 High School specialists over the next five years. (Of these, 9.65 FTE classroom teachers and 1.4 FTE elective specialists are needed in FY12.) An additional Assistant Principal position is projected for FY13, also to meet enrollment increases.

In addition to classroom teachers and specialists, the following additional positions are projected: 2.0 FTE Computer Technicians to provide support for the planned conversion to a 1:1 computing model at Pollard and Needham High beginning FY14 (and to meet the staffing standard of one technician per 2,000 computers), and a 0.21 FTE expanded transportation clerical position need to provide dispatch support for portions of the contract transportation program brought in-house during FY11 and FY12.

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	Elementary	Middle	High	Preschool	Projected Total Change
Guidance			1.0 (FY12) 1.0 (FY14)		2.0 FTE
Psychology			0.5 (FY15)	0.5 (FY15)	1.0 FTE
SPED Liaisons/ SLP's		0.5 High Rock (FY12) 0.5 Pollard Reading (FY12) 1.5 Pollard (FY13)	1.0 (FY14)		3.5 FTE
SPED TA's/ SLPA's	0.2 Broadmeadow (FY12) 0.2 Hillside (FY12) 0.2 Mitchell (FY12)	2.0 Pollard (FY13) 1.0 High Rock (FY14)	1.0 (FY14) 2.0 (FY15) 2.0 (FY16)	1.6 (FY12)	10.2 FTE
Nursing		0.2 Pollard (FY13)		0.5 (FY12)	0.7 FTE
OT/PPT		0.5 Pollard (FY13)	0.5 (FY15)		1.0 FTE
ELL Tutors	.2 FTE District (FY12) .2 FTE District (FY13) .2 FTE District (FY14) .2 FTE District (FY15) .2 FTE District (FY16)				1.0 FTE
TOTAL	1.6 FTE	6.2 FTE	9.0 FTE	2.6 FTE	19.4 FTE

Increase in Projected New Positions From Last Five-Year Forecast:

The FY 11-15 Five-Year Forecast had predicted the need for 37.5 FTE positions over five years, including 21.1 FTE enrollment positions and 10 FTE student support positions, among others. The updated (FY 12-FY 16) forecast identifies a more intensive need in both areas, due to an increase in the number of High School students (previously unanticipated by the Future School Needs Committee), budget reductions (which reduced staffing levels at the middle and high schools) and updated information about student needs. A year over year comparison of projected enrollment is presented below. As evident from the variance analysis, elementary enrollment projections were less than anticipated, for the second year in a row – an occurrence, which has not been seen at any point during the past twenty years, and now it has happened for two years in a row. The reduction is associated with a decline in public kindergarten attendance from 92% to 89%. In addition, the actual enrollment for 9th Grade is significantly higher than projected, a phenomenon, which is true to a lesser extent in the 10th Grade as well. The Future School Needs Committee indicates that the impact of the latter is to drive up the current high school enrollment as well as retention expectations in Grades 9 and 10. These factors, along with greater enrollment at the earlier grades (especially 7th Grade) have combined to increase the high school figures over last year's projections.

Future School Needs Committee Projected Enrollments, October 2009							
FY	2011 Proj	2012	2013	2014	2015	2016	
K-5	2585	2594	2536	2531	2487	2449	
6-8	1261	1273	1332	1324	1324	1292	
9-12	1412	1483	1525	1600	1660	1725	
TOTAL	5258	5350	5393	5455	5471	5466	
Future School Needs Committee Projected Enrollments, October 2010							
FY	2011 Actual	2012	2013	2014	2015	2016	
K-5	2575	2583	2521	2515	2480	2417	
6-8	1277	1295	1352	1344	1347	1314	
9-12	1449	1524	1583	1659	1713	1789	
TOTAL	5301	5402	5456	5518	5540	5520	
Projection Variance: Increase/(Decrease) from October 2009							
FY	2011	2012	2013	2014	2015	2016	
K-5	-10	-11	-15	-16	-7	-32	
6-8	16	22	20	20	23	22	
9-12	37	41	58	59	53	64	
TOTAL	43	52	63	63	69	54	

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:

- SPED tuitions are projected to increase by 37% (\$975,632) in FY12, reflecting both additional student needs and the ongoing budget funds required to cover the \$615,900 in prior year tuition expense, funded by one-time budget resources. (The FY11 budget employed \$615,900 in one-time federal stimulus and other funds to pay SPED tuitions and balance the budget.) Starting FY13, a 7% projected annual expenditure increase is anticipated, based on the replacement of FY11 budgeted students, aged through FY16. The projected annual percentage increase is consistent with historical averages. 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 40%. (State law mandates a reimbursement rate of 75%, which the State has been able to provide in only 4 of the past eight years. The FY10 funding percentage was 42% (down from 72% in the prior year) and is anticipated to be 40% in FY11.)
- Transportation costs are assumed to grow by 14.6% in FY12 (or \$171,547), followed by 6.2% in FY13, 6.3% in FY14, 3.3% in FY15 and 3.4% in FY16. These rates reflect a 35% regular transportation contract renegotiation increase, projected over three years, given recent changes in emissions standards that will increase the cost of bus replacement for our contract vendor. (The regular school bus contract expires on June 30, 2011.) SPED transportation costs are projected to increase by 15.8% in FY12, reflecting actual student needs, followed by annual cost increases of 4.6%/year, thereafter. This projection includes a 2.5% annual cost increase for in-district transportation, beginning FY13 – Needham will bring this service ‘in house’ during FY12, in an attempt to control costs in this area. Out-of-District SPED transportation costs are projected to grow by 5% per year after FY12, reflecting persistent increases to meet Individualized Education Plan (IEP) requirements. This assumption may be conservative, since Needham recently joined a transportation network for the purpose of reducing cost – our FY12 negotiated contract increase will be 1%, plus a 1% networking fee.
- Occupational/Physical Therapy expenses are assumed to grow by 10% per year, reflecting an average historical cost increase of 18.3%, which has been reduced to account for recent efforts to build capacity in the area of assistive technology and autism support.
- All other expenses are projected to grow based on the following pupil multipliers, derived from average budget amounts in comparison communities, despite the fact that, in reality, non-salary expenses have been reduced, rather than increased, over the past several years:
 - Instructional Expenses: \$142.93 elementary, \$182.85 middle, \$233.51 high and \$64.27 district.
 - Non-instructional expenses (including instructional technology maintenance & supplies): \$103.59 district.

FY 2011/12 – 2015/16 Implications

The model projects that, based on the aforementioned assumptions, school operating ‘needs’ could exceed available revenue by approximately \$2.5 million in FY12, and by approximately \$1.1 million/year thereafter, based on the Town-wide revenue projection.

FY12-16 PROJECTION	2011	2012	2013	2014	2015	2016	AVG ANN INC
PROJECTED SCHOOL EXPENDITURES	46,424,078	50,100,644	52,560,978	55,413,410	57,993,578	60,246,278	
PROJECTED SCHOOL REV @ TOWN EST.	46,424,078	47,573,980	49,180,405	50,844,499	52,641,493	54,549,006	-
SURPLUS/(DEFICIT) INCREMENTAL GAP	(0)	(2,526,664) (2,526,664)	(3,380,573) (853,910)	(4,568,911) (1,188,338)	(5,352,084) (783,173)	(5,697,271) (345,187)	(1,139,454)

The School Department’s expenditure estimate for FY12 exceeds Town Pro Forma projections by approximately \$1.5 million, primarily because it includes the additional impact of new staff positions (25.98 FTE, or \$1.4 million) and higher non-salary costs. The additional staff members projected for FY12 include: 20.87 enrollment teachers, 4.90 FTE SPED/Guidance/Nursing/ELL positions and a 0.21 FTE transportation clerical increase.

CATEGORY	2011	Five-Year 2012	\$ Inc/(Dec) Over FY11	% Inc/(Dec) Over FY11	Town Pro Forma 2012	\$ Inc/(Dec) Over FY11	% Inc/(Dec) Over FY11
Salaries	40,629,463	41,473,298	843,836	2.1%	41,949,920	1,320,458	3.25%
Enrollment Growth	0	1,408,114	1,408,114	100.0%	0	0	0.0%
Non-Salary Increases	5,794,593	7,219,232	1,424,638	24.6%	6,629,046	834,452	14.4%
Total	46,424,078	50,100,644	3,676,566	7.9%	48,578,966	2,154,888	4.6%

The above 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.

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 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 FY12, for instance, would have had a cumulative cost impact of approximately \$1.6 million over a five-year period. As the School Department enters into collective bargaining negotiations during FY11 with its other bargaining groups, it will pursue contracts that are similarly fair, yet affordable.
- 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 during the current 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 School Department is in the process of hiring a consultant (paid from federal stimulus funds) to help us assess the current special needs program, and to identify cost savings alternatives, where 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, we are on course to bring our in-district special needs transportation program in house next 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 FY12 and beyond, those costs would have been higher without these offsetting measures.

Difficult decisions still will be required, however, to balance the FY12 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 FY12 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 FY16, the population of the High School is estimated to be nearly 1,800 students, 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.
- Examining the extent to which existing resources can 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.

- “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 in FY12 from the federal Ed Jobs grant and special education tuition pre-purchase to ‘spread’ budget reductions across a two-year period. The impact of this option is to ‘soften the blow’ of budget reductions in a single year, and to provide additional time to review and/or negotiate additional reduction strategies.
- 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 15.99% (\$7,127,240) of the 17.5% target share amount (\$7,801,937) – a difference of \$674,697. However, a portion of these monies come from one time sources in FY11 – including \$500,900 in federal Ed Jobs funds and \$35,383 in federal stabilization grants, which will not continue in FY12. As a result, the amount of ongoing Chapter 70 aid to Needham is \$1.2 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 40%. That is, Needham’s \$809,594 Circuit Breaker reimbursement amount is \$708,395 less than the mandated reimbursement rate of \$1,517,989. 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)

	10/11	11/12	12/13	13/14	14/15	14/15
Broadmeadow	588	569	546	530	525	494
K	81	86	91	85	76	75
1	106	81	86	91	85	76
2	81	106	81	86	91	85
3	101	81	106	81	86	91
4	114	101	81	106	81	86
5	105	114	101	81	106	81
Eliot	396	403	379	377	366	355
K	58	65	53	67	57	56
1	67	58	65	53	67	57
2	67	67	58	65	53	67
3	69	67	67	58	65	53
4	77	69	67	67	58	65
5	58	77	69	67	67	58
Hillside	417	437	425	441	435	437
K	60	76	85	83	67	66
1	64	60	76	85	83	67
2	73	64	60	76	85	83
3	67	73	64	60	76	85
4	97	67	73	64	60	76
5	56	97	67	73	64	60
Mitchell	480	478	480	480	458	438
K	76	81	75	85	62	61
1	81	76	81	75	85	62
2	84	81	76	81	75	85
3	84	84	81	76	81	75
4	73	84	84	81	76	81
5	82	73	84	84	81	76
Newman	643	627	589	580	570	566
K	84	97	99	80	104	102
1	106	84	97	99	80	104
2	105	106	84	97	99	80
3	97	113	106	84	97	99
4	123	107	105	106	84	97
5	128	119	97	113	106	84
Pollard	804	865	865	903	914	861
6	-	-	-	-	-	-
7	411	442	424	480	435	427
8	393	423	441	423	479	434
High Rock	438	430	487	441	433	453
6						
High School	1,449	1,524	1,583	1,659	1,713	1,789
9	380	417	435	454	435	493
10	373	377	414	432	451	432
11	367	367	371	407	425	444
12	329	363	363	366	402	420
District Total*:	5,214	5,332	5,353	5,410	5,415	5,394

* EXCLUDES METCO

Glossary

This glossary includes definitions of terms used in the budget document, and other terms necessary for an understanding of the budget and budgeting process.¹

Account Code – A system of numbering or otherwise designating accounts, entries, invoices or vouchers, etc. in such a manner that the symbol/code used quickly reveals certain required information.

Accounting System - The total structure of records and procedures that identify, record, classify, and report information on the financial position and operations of a governmental unit or any of its funds, account groups, and organizational components.

Adequate Yearly Progress (AYP) – A measurement defined by the United States federal No Child Left Behind Act that allows the U.S. Department of Education to determine how every public school and school district in the county is performing academically according to results in standardized yearly tests.

Appropriation - An authorization granted by a town meeting, city council or other legislative body to expend money and incur obligations for specific public purposes. An appropriation is usually limited in amount and as to the time period within which it may be expended.

Available Funds - Balances in the various fund types that represent non-recurring revenue sources. As a matter of sound practice, they are frequently appropriated to meet unforeseen expenses, for capital expenditures or other onetime costs. Examples of available funds include free cash, stabilization fund, overlay surplus, water surplus, and enterprise retained earnings.

Balanced Budget – A budget where revenues equal expenditures.

Base Aid - A component of Chapter 70 state aid to a municipality for education costs. Districts are guaranteed a certain base amount of aid that is increased annually by new increments in the following categories.

Baseline Budget – The component of next fiscal year's expenditure request that reflects the continuation of current-year, appropriated expenses.

Base Budget Request – The component of next fiscal year's expenditure request that represents the additional funds needed to provide the same level of service to the schools, as existed in the current year, including the current school programs, staffing levels, class sizes, and services. The FY09 Base Budget includes: a) the total FY08 budget appropriation (net of turnover savings), b) statutory or regulatory mandates, c) personnel step, longevity and collective bargaining increases (including cost of living), d) increases under other existing contracts, e) significant inflationary or enrollment increases (inflationary increase in the cost of student supplies, additional teachers needed to maintain student-teacher ratios, etc.); and f) other items considered necessary and recommended by the Superintendent.

¹ Most definitions verbatim from Massachusetts Department of Revenue, Municipal Finance Glossary. Online resource: <http://www.mass.gov/?pageID=dorsubtopic&L=5&L0=Home&L1=Local+Officials&L2=Municipal+Data+and+Financial+Management&L3=Municipal+Knowledge+Base&L4=Municipal+Finance+Glossary&sid=Ador>. Other definitions: School Finance Office.

Basis of Accounting – Describes when transactions are recognized for purposes of financial reporting.

Basis of Budgeting – The form of accounting used to describe revenues and expenditures in the budget document.

Bond – A written promise to pay a specified sum of money called the face value or principal amount together with periodic interest, at a specific rate, over a specific period of time. Bonds for school purpose

Budget - A plan for allocating resources to support particular services, purposes and functions over a specified period of time.

Budget Calendar – A schedule of key dates, which the government follows in the preparation and adoption of the budget.

Budget Message (or Budget Transmittal Letter) - A statement that, among other things, offers context by summarizing the main points of a budget, explains priorities, describes underlying policies that drive funding decisions, and otherwise justifies the expenditure plan and provides a vision for the future.

Capital Assets - All tangible property used in the operation of government which is not easily converted into cash, and has an initial useful life extending beyond a single financial reporting period. Capital assets include land and land improvements; infrastructure such as roads, bridges, water and sewer lines; easements; buildings and building improvements; vehicles, machinery and equipment. Communities typically define capital assets in terms of a minimum useful life and a minimum initial cost.

Capital Budget -An appropriation or spending plan that uses borrowing or direct outlay for capital or fixed asset improvements. Among other information, a capital budget should identify the method of financing each recommended expenditure, i.e., tax levy, rates, and identify those items that were not recommended.

Capital Exclusion – A temporary increase in the tax levy to fund a capital project or make a capital acquisition. Exclusions require 2/3 vote of the entire Board of Selectmen and a majority vote in a Town-wide election. The exclusion is added to the tax levy only during the year in which the project is being funded and may increase the tax levy above the levy ceiling.

Capital Expenditures/ Improvements - Items generally found in the capital budget such as construction or major repairs to municipal buildings. The fees for architects, engineers, lawyers, and other professional services, plus the cost of financing advance planning, may be included in addition to the cost of materials and installation/construction. In Needham, capital improvements are defined as: the acquisition, construction, renovation, betterment or improvement, involving land, public buildings and facilities; water and sewer system laterals, mains and appurtenances; and equipment or vehicles; provided the total cost is \$25,000 or more, and the improvement will have a useful life of five years or more, or any planning, feasibility, engineering or design study, in preparation for such capital expenditures.

Capital Improvements Program - A blueprint, for planning a community's capital expenditures that comprises an annual capital budget and a five-year capital program. It coordinates community planning, fiscal capacity and physical development. While all of the community's needs should be identified in the program, there is a set of criteria that prioritizes the expenditures.

Capital Project – A major, non-recurring expenditure involving one or more of the following: acquisition of land for a public purpose; construction of or addition to a facility such as a public building, water or sewer lines, play field, etc.; rehabilitation or repair of a building, facility or equipment, provided the cost is \$25,000 or more and the improvement will have a useful life of five years or more; purchase of equipment costing \$25,000 or more, with a useful life of five years or more; and any planning, engineering or design study related to an individual capital project.

Cash Basis of Accounting - A method of accounting that recognizes revenues when they are received, and expenditures when they are paid.

Chapter 70 School Funds - Chapter 70 refers to the school funding formula created under the Education Reform Act of 1993 by which state aid is distributed through the Cherry Sheet to help establish educational equity among municipal and regional school districts.

Chapter 766 - Special Education (SPED federal requirement to provide a free and appropriate public education to students with disabilities in the least restrictive environment. This often means creating programs to retain students 'in-district,' whenever possible;

Cherry Sheets - Named for the cherry colored paper on which they were originally printed, the Cherry Sheet is the official notification to cities, towns and regional school districts of the next fiscal year's state aid and assessments. The aid is in the form of distributions, which provide funds based on formulas and reimbursements that provide funds for costs incurred during a prior period for certain programs or services.

Cost of Living Adjustment - Reference to language in municipal contracts that provide for annual or periodic increases in salaries and wages for employees over the course of the contract. The amount of an increase is most often negotiated based on a community's ability to pay, but is sometimes tied to the annual change in a specified index, i.e., consumer price index (CPI).

Consumer Price Index (CPI) - The statistical measure of changes, if any, in the overall price level of consumer goods and services. The index is often called the "cost-of-living index."

Cost Center – An accounting organizational unit, which includes expenditures related to specific activity or program.

Debt Exclusion - A temporary increase in the Town's levy limit (and possibly the levy ceiling) to exclude the payment of debt from the limits of Proposition 2 ½. The debt service is added to the levy limit for the life of the debt only. To place a debt exclusion question on the ballot requires a 2/3 vote of the entire Board of Selectmen, and a majority vote by the voters for passage.

Debt Exclusion Offset - Other funds that are used to reduce the amount of the debt paid by the tax levy. An example is a bond premium, which is the difference between the market price of a bond and its face value. A premium will occur when the bond's stated interest rate is set higher than the true interest cost (the market rate). Additions to the levy limit for debt exclusion are restricted to the true interest cost incurred to finance the excluded project. Premiums received at the time of sale must be offset against the stated interest cost in computing the debt exclusion. If receipt of the premium and the payment of interest at maturity of an excluded debt occur in different fiscal years, reservation of the premium for future year's debt service is required at the end of the fiscal year when the premium was received.

Debt Limit - The maximum amount of debt that a municipality may authorize for qualified purposes under state law. Under MGL Ch. 44 §10, debt limits are set at 5 percent of EQV for a city and 5 percent of EQV for a town. By petition to the Municipal Oversight Board, cities and towns can receive approval to increase their debt limit to 5 and 10 percent of EQV, respectively.

Debt Service - The repayment cost, usually stated in annual terms and based on an amortization schedule, of the principal and interest on any particular bond issue.

Department – The basic organizational unit of government, which is functionally unique its delivery of services.

Department of Education (DOE) – The former name of the Massachusetts Department of Elementary and Secondary Education (DESE.)

Department of Elementary and Secondary Education (DESE) – The new name of the entity formerly called Department of Education (DOE.)

Deficit -The excess of expenditures over revenues during an accounting period. Also refers to the excess of the liabilities of a fund over its assets.

Education Reform Act of 1993 - State law that authorized the seven-year, Ch. 70 funding program for education and that established spending targets for school districts as a means to remedy educational inequities. Scheduled to end by FY00, the program has been extended, pending agreement on further reforms.

Encumbrance - A reservation of funds to cover obligations arising from purchase orders, contracts, or salary commitments that is chargeable to, but not yet paid from, a specific appropriation account.

Equalized Valuations (EQV) - The determination of an estimate of the full and fair cash value of all property in the Commonwealth as of a certain taxable date. EQVs have historically been used as a variable in distributing some state aid accounts and for determining county assessments and other costs. The Commissioner of Revenue, in accordance with MGL Ch. 58 §10C, is charged with the responsibility of biannually determining an equalized valuation for each city and town in the Commonwealth.

Expenditure - An outlay of money made by municipalities to provide the programs and services within their approved budget.

Fiscal Year – An accounting year, i.e., when the books for the year are opened and closed. Since 1974, the Commonwealth and municipalities have operated on a budget cycle that begins July 1 and ends June 30. The designation of the fiscal year is that of the calendar year in which the fiscal year ends. For example, the 2000 fiscal year is July 1, 1999 to June 30, 2000. Since 1976, the federal government fiscal year has begun October 1 and ended September 30.

Foundation Aid - A component of Chapter 70 state aid provided to a municipality for public education. Foundation aid is based on a municipality's foundation gap that is defined as the difference between what a community can contribute (based on ability to pay) and the total amount of the foundation budget.

Foundation Budget - The spending target imposed by the Education Reform Act of 1993 for each school district as the level necessary to provide an adequate education for all students.

Free Cash - Remaining, unrestricted funds from operations of the previous fiscal year including unexpended free cash from the previous year, actual receipts in excess of revenue estimates shown on the tax recapitulation sheet, and unspent amounts in budget line-items. Unpaid property taxes and certain deficits reduce the amount that can be certified as free cash. The calculation of free cash is based on the balance sheet as of June 30, which is submitted by the community's auditor, accountant, or comptroller. Important: free cash is not available for appropriation until certified by the Director of Accounts.

Fringe Benefits – Expenditures for job-related costs provided to employees as part of their compensation. Fringe benefit costs include employer's portion of FICA, Medicare, retirement, group insurance (health, dental and life), unemployment, worker's compensation and tuition assistance.

Full-Time Equivalent (FTE) Position – This represents the number of full-time positions in a given area. A 1.0 FTE position is a position, which is full-time, and a 0.5 FTE position is a half-time position. In Needham Public Schools, a 1.0 FTE position works 35 hours per week or more.

Function – A group of related activities aimed at accomplishing a major service or program.

Fund - An accounting entity with a self-balancing set of accounts that is segregated for the purpose of carrying on identified activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

Fund Accounting - Organizing the financial records of a municipality into multiple, segregated locations for money. A fund is a distinct entity within the municipal government in which financial resources and activity (assets, liabilities, fund balances, revenues, and expenditures) are accounted for independently in accordance with specific regulations, restrictions or limitations. Examples of funds include the general fund and enterprise funds. Communities whose accounting records are organized according to the Uniform Municipal Accounting System (UMAS) use multiple funds.

Fund Balance - The difference between assets and liabilities reported in a governmental fund. Also known as fund equity. (See also Unreserved Fund Balance)

General Fund - The fund used to account for most financial resources and activities governed by the normal town meeting/city council appropriation process.

Generally Accepted Accounting Principles (GAAP) - Uniform minimum standards and guidelines for financial accounting and reporting that serve to achieve some level of standardization.

Goal – A statement of broad direction, purpose or intent, based on the needs of the community. A goal is general and timeless.

House 1 (Governor's Budget Proposal) - Designation given to the Governor's annual budget request, which is submitted to the House of Representatives by the fourth Wednesday of January. Except that a newly elected governor has eight weeks from the day he/she takes office to submit a budget. The budget is designated House 1 in the first year of the two-year legislative session and House 1A in the second year.

Hourly Employee – An employee who is paid on an hourly basis.

Indirect Cost - Costs of a service not reflected in the operating budget of the entity providing the service. An example of an indirect cost of providing water service would be the value of time spent by non-water department employees processing water bills. A determination of these costs is necessary to analyze the total cost of service delivery. The matter of indirect costs arises most often in the context of enterprise funds.

Levy - The amount a community raises through the property tax. The levy can be any amount up to the levy limit, which is re-established every year in accordance with Proposition 2½ provisions.

Levy Limit - A levy limit is one of two types of levy (tax) restrictions imposed by MGL Ch. 59 §21C (Proposition 2 1/2.) It states that the real and personal property taxes imposed by a city or town may only grow each year by 2.5 percent of the prior year's levy limit, plus new growth and any overrides or exclusions. The levy limit can exceed the levy ceiling only if the community passes a capital expenditure exclusion, debt exclusion, or special exclusion.

Levy Ceiling - A levy ceiling is one of two types of levy (tax) restrictions imposed by MGL Ch. 59 §21C (Proposition 2 1/2.) It states that, in any year, the real and personal property taxes imposed may not exceed 2½ percent of the total full and fair cash value of all taxable property. Property taxes levied may exceed this limit only if the community passes a capital exclusion, a debt exclusion, or a special exclusion.

Line Item Budget - A budget that separates spending into categories, or greater detail, such as supplies, equipment, maintenance, or salaries, as opposed to a program budget.

Line Item Transfer - The reallocation of a budget appropriation between two line-items within an expenditure category (i.e., salaries, expenses). Employed as a management tool, line-item transfer authority allows department heads to move money to where a need arises for a similar purpose and without altering the bottom line. Whether or not line-item transfers are permitted depends on how the budget is presented (i.e., format) and what level of budget detail town meeting believes it is approving.

Local Aid - Revenue allocated by the Commonwealth to cities, towns, and regional school districts. Estimates of local aid are transmitted to cities, towns, and districts annually by the "Cherry Sheets." Most Cherry Sheet aid programs are considered general fund revenues and may be spent for any purpose, subject to appropriation.

Local Appropriating Authority - In a town, the town meeting has the power to appropriate funds, including the authorization of debt. In a city, the city council has the power.

Local Receipts - Locally generated revenues, other than real and personal property taxes. Examples include motor vehicle excise, investment income, hotel/motel tax, fees, rentals, and charges. Annual estimates of local receipts are shown on the tax rate recapitulation sheet.

Minimum Aid - A component of Chapter 70 state aid provided to a municipality for public education. If a school district is not receiving at least \$150 per pupil in foundation aid, the district receives minimum aid such that the combination of minimum and foundation aid totals at least \$150 per pupil.

Minimum Local Contribution - The minimum that a city or town must appropriate from property taxes and other local revenues for the support of schools (Education Reform Act of 1993).

Modified Accrual Basis of Accounting/Budgeting - A method of accounting that recognizes revenues in the accounting period in which they become available and measurable. Expenditures are recorded when a liability is incurred.

Municipal Revenue Growth Factor (MRGF) - An estimate of the percentage change in a municipality's revenue growth for a fiscal year. It represents the combined percentage increase in the following revenue components: automatic 2½ percent increase in the levy limit, estimated new growth, the change in selected unrestricted state aid categories, and the change in selected unrestricted local receipts (Education Reform Act of 1993).

Net School Spending (NSS) - School budget and municipal budget amounts attributable to education, excluding long-term debt service, student transportation, school lunches and certain other specified school expenditures. A community's NSS funding must equal or exceed the NSS Requirement established annually by the Department of Education (DOE) (Education Reform Act of 1993)

Net School Spending Requirement - Sum of a school district's minimum local contribution and the Chapter 70 aid received in a given fiscal year (FY). Municipalities and regional school districts must appropriate funds sufficient to the net school-spending requirement. In addition to the NSS requirement funds need to be appropriated to support costs of student transportation, fixed assets, long term debt service, and other costs not part of the NSS.

Section 126 of Chapter 194 of the Acts of 1998 limits the net school-spending requirement for regional vocational districts to 150 percent of the foundation budget. When the net school-spending requirement exceeds 150 percent of the foundation budget, the required local contributions of the member towns are reduced proportionately. Any reduction is applied to any below foundation districts to which the municipality belongs.

No Child Left Behind (NCLB) Act (Federal Elementary and Secondary Education Act) - Federal requirement to have all students become proficient on state testing by 2014 by making Adequate Yearly Progress (AYP) toward yearly performance goals

Non- Recurring Revenue Source - A one-time source of money available to a city or town. By its nature, a non-recurring revenue source cannot be relied upon in future years. Therefore, such funds should not be used for operating or other expenses that continue from year-to-year. (See Recurring Revenue Source)

Object Code - A classification of expenditures that is used for coding any department disbursement, such as "personal services," "expenses," or "capital outlay".

Objective – Something to be accomplished in specific, well-defined and measurable terms, and that is achievable within a specific time frame

Operating Budget - A plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.

Override - A vote by a community at an election to permanently increase the levy limit. An override vote may increase the levy limit no higher than the levy ceiling. The override question on the election ballot must state a purpose for the override and the dollar amount.

Performance Budget - A budget that stresses output both in terms of economy and efficiency.

Personal Property Tax - Movable items not permanently affixed to, or part of the real estate. It is assessed separately from real estate to certain businesses, public utilities, and owners of homes that are not their primary residences.

Prior Year Encumbrances – Obligations from previous fiscal years in the form of purchase orders, which are chargeable to an appropriation, and for which a part of the appropriation is reserved. They cease to be an encumbrance when the obligation is paid or terminated.

Program Budget - A budget that relates expenditures to the programs they fund. The emphasis of a program budget is on output.

Program Improvement Request – The component of next fiscal year’s expenditure request that additional funds for program enhancements and improved service to the students of the Needham Public Schools. The Program Improvement Budget is the budget mechanism the School Committee will use to invest in service and program improvements for the Needham Public Schools. The Program Improvement Budget is not a wish list; rather it reflects the need to grow and improve the schools in a way consistent with the mission, values, and goals of the Needham Public Schools and the high expectations of the Needham community.

Property Tax Levy - The amount a community raises through the property tax. The levy can be any amount up to the levy limit, which is re-established every year in accordance with Proposition 2½ provisions.

Proposition 2 1/2 - State law enacted in 1980 that regulates local property tax administration. Major provisions of this legislation are located in MGL Ch 59 - Assessment of Local Taxes § 21C and relate to the determination of a levy limit and levy ceiling for each town.

Purchase Order - An official document or form authorizing the purchase of products and services.

Purchase of Services - The cost of services that are provided by a vendor.

Real Property - Land, buildings and the rights and benefits inherent in owning them.

Recapitulation Tax Sheet - A document submitted by a city or town to the DOR in order to set a property tax rate. The recap sheet shows all estimated revenues and actual appropriations that affect the property tax rate. The recap sheet should be submitted to the DOR by September 1 (in order to issue the first-half semiannual property tax bills before October 1) or by December 1 (in order to issue the third quarterly property tax bills before January 1).

Receipts - Money collected by and within the control of a community from any source and for any purpose.

Receivables - An expectation of payment of an amount certain accruing to the benefit of a city or town.

Recurring Revenue Source - A source of money used to support municipal expenditures, which by its nature can be relied upon, at some level, in future years. (See Non-recurring Revenue Source)

Revenues - All monies received by a governmental unit from any source.

Revolving Fund - Allows a community to raise revenues from a specific service and use those revenues without appropriation to support the service. For departmental revolving funds, MGL Ch. 44 §53E½ stipulates that each fund must be re-authorized each year at annual town meeting or by city council action, and that a limit on the total amount that may be spent from each fund must be established at that time. The aggregate of all revolving funds may not exceed ten percent of the amount raised by taxation by the city or town in the most recent fiscal year, and no more than one percent of the amount raised by taxation may be administered by a single fund. Wages or salaries for full-time employees may be paid from the revolving fund only if the fund is also charged for all associated fringe benefits.

Section 504 and Americans with Disabilities Act - federal requirements to provide reasonable accommodations so that all people (students, faculty and community) can participate in activities in our schools, regardless of disability. These accommodations can include building modifications, specialized equipment, instructional or testing changes, or care from a nurse or other staff member.

Special Education - Special Education shall mean specially designed instruction to meet the unique needs of the eligible student or related services necessary to access the general curriculum and shall include the programs and services set forth in state and federal special education law.

Special Education Circuit Breaker - A funding program for special education costs, implemented by the legislature in FY04, to assist localities with increasing and volatile special education expenses. The program replaced the former "50/50" program which reimbursed school districts 50% of the costs for students in residential placements. Under the Circuit Breaker program, districts are reimbursed a percentage of individual student costs exceeding four times the foundation budget. For FY09, the statewide foundation budget per pupil is estimated to be \$9,295, so the circuit breaker threshold is \$37,180. The formula voted by the state legislature calls for districts to receive 75% of their costs exceeding \$37,180; however, because circuit breaker reimbursements are subject to appropriations, the budgeted percentage of reimbursement for FY09 is 72%. This program was changed in FY05 from a current-year 'circuit breaker' reimbursement program to a retroactive reimbursement program, where districts are reimbursed in FY09 for eligible students reported on FY'08 final claims.

Special Revenue Fund - Funds, established by statute only, containing revenues that are earmarked for and restricted to expenditures for specific purposes. Special revenue funds include receipts reserved for appropriation, revolving funds, and grants from governmental entities and gifts from private individuals or organizations.

Tax Rate - The amount of property tax stated in terms of a unit of the municipal tax base; for example, \$14.80 per \$1,000 of assessed valuation of taxable real and personal property. The FY07 tax rate in Needham was \$9.35 for residential property, and \$18.17 for commercial property.

Town Meeting - In a town, the town meeting has the power to appropriate funds, including the authorization of debt. In a city, the city council has the power.

Undesignated Fund Balance - Monies in the various government funds as of June 30 that are neither encumbered nor reserved, and are therefore available for expenditure once certified as part of free cash.

Unfunded Mandate - A requirement imposed by law, regulation or order without underlying financial support, thereby resulting in direct or indirect costs to the body made responsible for its implementation.

Uniform Procurement Act - Enacted in 1990, MGL Ch. 30B establishes uniform procedures for local government to use when contracting for supplies, equipment, services and real estate. The act is implemented through the Office of the Inspector General.

Uniform Municipal Accounting System (UMAS) - UMAS succeeds the so-called Statutory System (STAT) and is regarded as the professional standard for municipal accounting in Massachusetts. As a uniform system for local governments, it conforms to Generally Accepted Accounting Principles (GAAP), offers increased consistency in reporting and record keeping, as well as enhanced comparability of data among cities and towns.

Warrant - An authorization for an action. For example, a town meeting warrant establishes the matters that may be acted on by that town meeting. A treasury warrant authorizes the treasurer to pay specific bills. The assessors' warrant authorizes the tax collector to collect taxes in the amount and from the persons listed, respectively.