

**Central Office
Executive Summary
January 15, 2009**

I. Budget Overview

The FY 10 Central Office budget has increased by a total of \$126,831, or 6.2% from FY 09. Payroll accounts for \$109,428 and expense for \$17,403 of the increase. The payroll increase is primarily attributable to an increase in salary reserve and contractual obligations. The expense increase is a result of the transportation contract increase offset by reductions in other accounts.

The Central Office budget contains a number of centralized accounts, which include salary reserve, teacher intents offset, longevity, teacher 5 year bonus, and copier maintenance. These are in addition to traditional accounts for school committee expense, central administrator salaries, office support staff, transportation expense, and other contracted service and office expense accounts. In addition, utility expense accounts, which are a part of the Buildings and Grounds Department budget, are reported here as a separate section.

The Curriculum Department and Professional Development budgets, which are overseen by the Central Office, are reported on separately by the assistant superintendent.

II. Personnel Summary

1. Personnel will be reduced by a net 0.2 in FY 10. This consists of the elimination of a 0.4 clerical position that supports the Curriculum Department and a one time (nonrecurring) 0.2 increase in the Business Office to cover the training of a new person for the transportation coordinator position. The latter is needed due to the complexity of the job and software involved. These changes are reflected in accounts 10 and 12, respectively. The Curriculum Department will also see the reduction of an administrator (reported separately).
2. Administrator salaries reflect raises for FY 09 transferred from salary reserve after the budget was set. The salary reserve for FY 10 contains a 3% pool for administrators and all other nonunion personnel. This accounts for the increase in account 1392. In FY 09, raises for secretaries, teaching assistants, librarian assistants, campus aides, crossing guards, technicians, and the one management assistant at Center School were in their specific line items.
3. Account 1771, Teachers Intents Offset increased by \$8,512 thereby reducing the offset to \$238,625. This represents a 65% reduction to the salary increases that teachers would normally receive if they earned all the credits they indicated in their "Intent" forms. 70% was used for FY 09 which proved to be slightly high. This centralized account adjusts for these teacher salary increases related to lane changes reflected throughout the district budget.
4. Accounts 1551 and 1552, Teacher Longevity and Bonuses were changed to reflect amounts necessary to pay teaching staff achieving these thresholds in FY 10.

III. Expense Summary

1. Account 259, Transportation- increased \$27,320. This includes a 3% inflation adjustment. The fleet remains at 24 regular route and 11 mid-day kindergarten buses. All late buses (4),

at a cost of \$25,514, have been cut from the budget. A reduction of \$15,000 was also included for fuel adjustment credits anticipated as a result of fuel prices lower than the May 2008 benchmark.

2. Other changes to expense accounts for a net decrease of \$9917 are as follows: Account 2, Legal increased \$5000, Account 17, Office Supplies decreased \$3479, Account 23, Postage decreased \$5000, Account 296, Copier Maintenance decreased \$3500, Account 1218, Insurance decreased \$1200, Account 1307, Asst. Supt. Office Supplies decreased \$2000, and other misc. accounts increased \$262.

IV. Utilities

Utilities are part of the Buildings and Grounds budget but are managed by the Business Office.

Electricity increased by \$70,457 or 9.3%. The commodity price per KWH is locked in through FY 11 and decreased by 15.1% in FY 07 and another 8.7% in FY 09. FY 10 and FY 11 are locked at a rate that is 0.5% lower than FY 09. The budget for FY 08 was reduced aggressively to reflect price decreases and an anticipated decline in KWH usage. FY 09 was level funded with FY 08. The decline KWH usage, although lower, was less than anticipated in FY 08. As a result the budget has been increased for FY 10 to adjust to a level more in line with recent KWH usage history. Anticipated savings from the energy management initiative have been included and have kept the increase from being larger.

Natural Gas decreased by \$98,998 or 20.3% for FY 09. The commodity and basis price for FY 09 is 5.8% higher than FY 08 and locked through FY 10. Conservation measures, like the additional wall and roof insulation at the MS (biggest gas consumer), will result in lower DTH usage. Additional anticipated savings from the energy management initiative have also been included.

Telephone decreased by \$1149 reflecting actual experience over the past two fiscal years.

V. Budget Implications

- Provides for training of a Business Office staff member who handles transportation, purchasing, and a number of other functions. This is a temporary 0.2 FTE which will provide 2 to 3 months of overlap for this key position.
- Eliminates four late buses which run 5 days a week from the HS and MS and 2 days from Hopkins
- Reflects a decrease in copier maintenance for anticipated reduction in copies made per year
- Does not provide for any copier replacements thereby skipping a year in the 5 year cycle. A higher number of maintenance calls will ultimately result in a higher rate per copy for maintenance.
- Elimination of curriculum administrator and department part time secretary
- Utility budgets for gas, electric, and telephone budgets combined for a net reduction of \$29,690