

# DERBY PUBLIC SCHOOLS



## Board of Education's Budget Message Proposed Operating Budget for Fiscal Year 2010-2011

Adopted March 2, 2010

To the Board of Apportionment & Taxation:

For the second year in a row, our community and our schools are faced with financial challenges unseen in decades. That means that, once again, we will be called upon to see beyond our personal interests and focus on the central needs of public education in our city. We will be compelled to forgo expenditures that we would readily make in better times, in favor of a short list of top priorities that we can afford.

The Board of Education's Proposed Budget for FY2011 calls for \$18,584,779 in general operating funds – not including federal grants. This is an increase of \$1,226,797 or 7.1% over the current year's budget of \$17,357,982. Of the increase requested, approximately \$938,000 or 5.5% is requested for general district operations. The remaining \$262,000 or 1.6% is related to the operation of the new Derby Middle School for its first full year.

### No New Layoffs

Despite the 4.5% funding increase authorized by the City of Derby for the current year, rising benefit costs, contractual pay increases and expenses related to the opening of the new Middle School necessitated a 9% reduction in our staff, the elimination of numerous student activities and substantial reductions in textbook, supply and facilities maintenance accounts.

Most of the programs and positions that were lost in the 2009-10 budget will not be restored in 2010-11. On a positive note, however, if the budget that we are requesting is adopted, we will be able to prevent further program losses and layoffs for the coming year. And we will be able to restore a district level curriculum position and most of our athletic programs.

## What Accounts for the Increase in Requested Spending?

The request for a \$1,226,797 increase in funding for our schools can be attributed almost entirely to the following twelve areas:

1. Health Benefits: \$ 300,000

Increase in the cost of Anthem Blue Cross medical benefits provided to current district employees per the requirements of collective bargaining agreements.

2. Operation of the new Derby Middle School: \$ 262,000

In 2009-10, the City appropriated \$257,363 for the operation of the new Middle School for the second half of the year. For 2010-11, the Board of Education is requesting \$519,134 in incremental costs related to the operation of the new Middle School for a full year. (Because 2010-11 will be first full year of operation for the new Middle School facility, the Board of Education has incorporated the \$519,134 in incremental costs into its overall budget request.)

3. Curriculum and Professional Development: \$ 105,000

The school district eliminated the position of Assistant Superintendent in 2008 in the face of budget difficulties at that time. The proposed 2010-11 budget includes funds to restore system wide leadership in the areas of curriculum, professional development and the assessment of student achievement – albeit at a more modest cost – in the form of a Director of Curriculum & Instruction. (Estimated cost based on a salary of \$90,000, plus benefits.)

4. Special Education Tuition: \$ 97,000

Each year, the school system supports between thirty-five and forty students in special education programs outside of Derby. These are students with handicapping conditions that cannot be effectively addressed within our schools. Tuition and transportation costs for these students can be as much as \$80,000 per child. This budget anticipates a 3% increase in tuition costs for these students. These placements and related expenditures are required by state and federal law.

5. State Placements: \$ 95,000

When the Department of Children & Families (DCF) or the courts place Derby students in school settings outside of the Derby Public Schools, the school district is required to pay the tuition. This budget anticipates that we will be obligated for tuition for state placements for three students at an estimated net cost of \$95,000 (that is, net of the revenue from the state Excess Cost grant that helps to defray expenses related to out of district students).

6. Salary Increases: \$ 90,000

Of this amount, \$70,000 will be required to cover salary increases related to collective bargaining agreements with the district's custodial, maintenance and administrative personnel.

The Board of Education's new *Agreement* with the Derby Education Association provides for a salary freeze for 2010-11. However, teachers are entitled to raises as the result of having earned advanced degrees. The cost of these increases will be approximately \$20,000 for the coming year.

7. Restoration of Athletic Programs: \$ 65,000

In order to meet the spending limits required by the 2009-10 budget, we reduced the district's athletic budget by \$90,000. We were able to restore many of the sports teams that were dropped from the operating budget by drawing on gate receipts that had been saved up over the years. However, those funds are rapidly being depleted. Therefore, this budget provides for the restoration of some \$70,000 to our sports programs for 2010-11.

8. Additional Teaching Position at Bradley School: \$ 50,000

Each of our two elementary schools will lose two 6<sup>th</sup> grade teaching positions as the 6<sup>th</sup> grades move to the new Derby Middle School. In the case of Bradley School, however, this budget "adds back" an elementary teaching position in order to maintain reasonable class sizes in the face of an expected increase in K-5 enrollment.

9. Alternative Education Program at Derby High School: \$ 50,000

In an effort to maximize graduation rates and prevent dropouts, the Principal and staff at Derby High School have designed an Alternative Education Program intended to respond to the needs of students who are not meeting with success in the traditional high school program. The total cost of the program is estimated to be \$198,000. However, we expect that some students currently in expensive out of district placements would return to Derby High School if we are able to offer them a high quality alternative education program – resulting in savings of some \$138,000. Thus the "net cost" of the Alternative Education Program is estimated to be \$60,000. Given the \$10,000 that the district invested in planning the Alternative Program this year, the resulting budget increase for this activity is \$50,000.

10. Transportation: \$ 11,000

The district's contact with All Star Transportation for the transportation of our students to and from school each day calls for an increase in the per bus per day rate of \$7.00. This translates into an overall increase of \$11,000.

11. Strategic Planning: \$ 10,000

The Board of Education has endorsed the development of a Strategic Plan for the school system which will set forth the district's priorities for the next five years, along with the important steps that will need to be taken to reach those goals and the means by which our progress will be measured. This budget includes \$10,000 to help fund the development of the Plan, including a planning facilitator and related survey and research work. The district expects to supplement these funds with volunteer assistance from area graduate schools. Given the district's various needs for improvement and the limited nature of our resources, it is critical that we have a clear blueprint for the work ahead.

12. NEASC Accreditation: \$ 10,000

Every ten years, public high schools in Connecticut are subjected to an accreditation review by the New England Association of Schools and Colleges (NEASC). A critical part of that process is an accreditation visit that is conducted by a team of NEASC officials and educators from throughout the region. Derby High School's accreditation visit will take place this September. The school is responsible for covering the costs of the nine to sixteen member visiting team, including meals and hotel accommodations for a period of four days.

## Enrollment

The Recommended Budget reflects a projected total enrollment of 1,550 for the school district, Pre-K through Grade 12. Enrollments for individual schools in October of 2010 are expected to be as follows:

<u>School</u>	<u>Projected 2010-11 Enrollment</u>
Bradley School (Pre-K – 5):	383
Irving School (Pre-K – 5):	414
Derby Middle School (6-8):	353
Derby High School (9-12):	400
Total:	1,550

## Revenue Expectations

### Federal:

The federal government provides approximately \$1.1 million for the operation of Derby's public schools in 2009-10, largely in the form of Title I of the Elementary and Secondary Education Act (ESEA) to assist us in serving low income students, the Individuals with Disabilities Education Act (IDEA) to assist us in serving special needs students and the American Recovery and Redevelopment Act (ARRA), also known as the economic stimulus act.

No increase in federal funding is anticipated for the year ahead. What is more, the ARRA stimulus funding ends in FY2011 – meaning that we need to anticipate a reduction of about \$250,000 in federal assistance for FY2012.

### State:

The most significant state assistance to our schools comes in the form of the Education Cost Sharing (ECS) grant, which provides some \$7 million in general assistance to our public school operations. The state has already determined that there will be no increase in ECS funding in FY2011.

The second largest state education grant program is the Excess Cost grant which assists local schools in dealing with the extraordinary costs that are associated with serving certain special needs students. Assistance under this grant is expected to decline next year, from 70% of excess costs to 60%.

## Our Challenge

The central challenge facing the Derby Public Schools – and most other school systems around the nation – is to deliver a significant improvement in student performance without a substantial increase in funding. Meeting that challenge will require us to do a number of things, including:

1. Making sure that every teaching position is filled by a highly qualified, effective professional who is supported by thoughtful supervision, training, instructional materials and equipment;
2. Seeing to it that every staff member knows how to insure that every student is motivated, engaged and self disciplined;
3. Having a coherent K-12 curriculum that reflects established academic standards and describes the instructional programs intended to enable our students to meet or exceed those standards; and
4. Developing useful data about the academic achievement and well being of our students, and using that data to guide instruction.

The funds requested in this budget are intended to assist us in meeting these important obligations, on behalf of our children and our community.

We look forward to discussing these proposals with you and the community at large over the next several weeks.

Sincerely yours,

Kenneth Marcucio, Chairman  
Derby Board of Education