

Alice Turkel, Co-Chair of the Budget Subcommittee of the School Committee, thanked the City Manager and the Finance Chair of the City Council Finance Committee. She is very happy with how generous the budget is. The big issue facing the school system is how to cope with the empty seats.

Superintendent D'Allessandro stated that she is very committed to using the budget resources the city is giving the schools in a focused way. There is an achievement gap. Reading is the goal. She thanked the City Manager and the City Council.

Mayor Duehay stated that he welcomes the early decision on the bottom line, which is very hopeful.

Councillor Born stated that she expects two kinds of phone calls, one from parents who will think this is great; the other from non-parents noting the loss of 1,500 students and at the same time, the renovations at the Fitzgerald to increase the enrollment capacity.

Ms. Turkel stated that in the last few years, the loss has been closer to 500 students than 1,500. With regard to the Fitzgerald School renovations, taking care of the school buildings is an ongoing responsibility, and school populations fluctuate.

Superintendent D'Allessandro said that the Fitzgerald School has several other programs that need space. In addition, there is a school in rental space that needs to be moved into a city school building.

Mr. Conroy stated that the plans for the Fitzgerald School had to be made the proper size for its programs and classes for it to qualify for the 90% state reimbursement funding that it is receiving.

Superintendent D'Allessandro noted that Cambridge has safe schools, with high attendance rates and a very low dropout rate. It cost money to achieve this in an urban setting.

Councillor Sullivan noted the need to spend money to stay competitive and retain students.

Mr. Healy informed the Committee that Cambridge's per capita student expenditure is less than that of Lowell.

Representative Alice Wolf, 48 Huron Avenue, noted in connection with the space issue, the increasing interest and emphasis on early education, including pre-kindergarten education. This interest will hopefully mean new programs for these children, and the new programs will need space.

Councillor Russell noted the need for more public information of this kind to go to the taxpayers.

Ms. Turkel said that one of the big things the School Committee and School Department have to do is to restore confidence in the school system.

Councillor Davis noted that from 1994 to the present, there are 200 more Cambridge students in private school than there were four years ago. She asked whether there is research on this.

Ms. D'Allessandro said that she has been conducting exit interviews. Some left because of rent control, some for particular individual situations. From the trend lines, they are seeing a much wealthier population moving in.

Councillor Sullivan stated that some have moved to send their kids to another public school system.

Councillor Davis asked about the connection of leaving the system for private schools with the parents' fear of not getting their children assigned to their first choice of schools.

Ms. D'Allessandro said that she has found that fear is real, but 95% of parents do get their top choice.

Councillor Born said that it is important to look at the increase in private school attendance as a part of the changes in the national economy as well as the change in demographics. The economy is doing well, families are having fewer children and are choosing to spend disposable income on private education.

Councillor Reeves expressed concern about the unscientific nature of the discussion. Could we not actually determine the reasons for taking the kids out of public schools? He stated that he is not satisfied with the anecdotal data. Did the Cambridge Rindge and Latin School numbers go up or down? He expressed concerns about reading and noted the importance of assessing the existing programs and building upon them.

Ms. D'Allessandro, Mr. Conroy and Ms. Turkel responded that the Cambridge Rindge and Latin School enrollment numbers remained the same.

Ms. Turkel stated that the reading program is not all new; it is building on the programs that work.

Councillor Toomey asked when the School Department is going to evaluate all of its programs and get rid of the ones that are not working.

Ms. D'Allessandro stated that the school system is starting to see results on trend lines of improvement, for example, at the Fitzgerald School.

Councillor Reeves stated that he is very concerned about the high school which is being run by a principal in name and a consultant. He does not agree that we are getting the message out.

Ms. D'Allessandro stated that she is convinced that something different needs to happen for the ninth grade.

Councillor Reeves asked whether there were successful models of high schools that Cambridge can learn from. Ms. D'Allessandro said that Dr. Walker is doing exactly that; he is bringing the CRLS faculty to look at successful high schools.

Councillor Galluccio stated that parents are more active in school systems where they have choices. The need here is to focus on performance. He suggested contacting the private schools to find out what Cambridge kids go there.

Councillor Toomey requested a report on what kids from which schools choose private schools.

Susana Segat stated that this is a good budget, but it still has its limits. There is only a 2% increase for teachers salaries.

After a short recess, the discussion moved to the MCAS results. Superintendent D'Allessandro introduced the topic and introduced Barbara Black to present an analysis of the Cambridge students' scores.

Ms. Black stated that since this was the first administration, there are many unanswered questions about the test instrument.

Ms. Turkel stated that the School Department really wants to look at which schools work for what categories.

Councillor Davis asked what the School Department is looking at with respect to schools that have very different scores. Ms. Jennings said that they are looking at teachers and at curriculum implementation. She stated that this test is mostly a measure of how well the state curriculum frameworks are being implemented.

Ms. Black emphasized the similarity of Cambridge scores to the overall state scores.

Councillor Sullivan asked how the high math failure related to the algebra project.

Ms. Turkel stated that at the first level of comparison, the Cambridge scores look similar to the overall state scores. At the next level, looking at individual schools, there is enormous disparity. She said that when parents and faculty really believe in the program, it works. She gave the examples of the Graham and Parks and the Morse Schools, both very different in educational philosophy but both with committed parents and faculty who believe in what the school is doing.

Councillor Reeves asked Ms. Jennings to comment on the 8th grade math scores. Ms. Jennings stated that it is not the whole story. Kids do very well in the 8th grade algebra assessments. Research shows that kids who take algebra in the 8th grade experience greater success in high school and are less likely to drop out.

Councillor Davis asked about the test taking environments. Are the kids being fed before the test? In the suburbs, the kids were given breakfast, they got to come an hour later. It was noted that Ruby Pierce, Headmaster of House A at CRLS at the time of the tests, spent her own money to provide breakfast for all the House A students on the morning of the test. Ms. Pierce talked about the importance of who was proctoring the exam.

Ms. Black stated that Cambridge ranks in the “middle of the middle” which, when compared with the MEAP tests, actually is quite an improvement.

Marianne MacDonald stated that the MCAS results provide a baseline and will help Cambridge align its curriculum with the state curriculum framework. However, it is only one measure. She described the ongoing work of developing a performance-driven learning system. Schools are being required to choose three areas of focus, one of which must be literacy, set goals and develop a strategic plan to achieve them.

Ms. MacDonald then described the early literacy project. The research tells us what it takes to make a child a reader:

- High quality reading instruction by classroom teachers
- Quality assessment of student progress
- Preschool
- Early intervention
- Extended day opportunities

Superintendent D’Alessandro stated that there is also the issue of what to do at the high school because there are high school kids who cannot read.

Ms. MacDonald stated that Cambridge is trying to develop an early childhood center concept and structure. She concluded with her thanks to the Kids Council for its focus on reading.

The meeting was adjourned at 10:23 p.m.

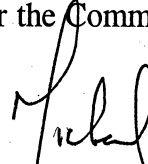
For the Committee,

Councillor Michael A. Sullivan
Chair

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The meeting was adjourned at 10:23 p.m.

For the Committee,



Councillor Michael A. Sullivan
Chair



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EXECUTIVE DEPARTMENT
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Bobbie D'Alessandro
Superintendent of Schools
159 Thorndike Street
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Dear Ms. D'Alessandro:

I would like to take this opportunity to thank you for all of your cooperation in dealing with School Department financial issues over the past 12 months. As you are aware in addition to you and I meeting frequently to discuss school/city related issues, the senior members of both school and city financial staff have been meeting since early fall to work on the FY 2000 budget. This cooperation has made financial decision making both easier and more knowledgeable, and I believe has been beneficial to the school system.

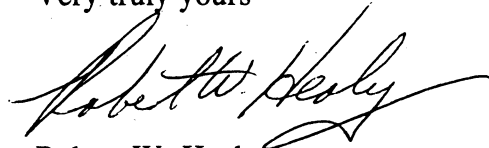
Last year at this time, budget guidelines for the School Department were changed from "revenue driven" to "expenditure driven". This change in the guidelines resulted in \$1.5 Million in additional school funding in the current school year. The increase in school funding was predicated upon the Superintendent's and the School Committee's agreement to begin addressing operating issues which had been identified as having significant negative financial impact on the school budget. These operating issues were; declining enrollment, teacher to student ratios in both the high school and elementary schools, the high school house/administrative structure, the involuntary transfer of teachers not assigned to budgeted positions, and the implementation of the elementary school facilities master plan.

While I recognize that the School Department has not fully resolved all of the matters related to these issues, progress appears to have been made (particularly in the assignment of teachers not in budgeted positions) in all five areas. In recognition of this progress and after our joint discussion with the School Committee budget co-chairs, Councillor Michael Sullivan Chair of the City Council Finance Committee, and Mayor Duehay I would like to propose budget guidelines which will allow for a 7.8% increase in school spending in FY2000. The details of these guidelines can be found attached to this memo.

It should be noted that these guidelines will result in an operating budget increase of 6.5%, net of debt service. This increase reflects a 4.3% increase in property tax support for schools, the largest in recent years. In return for the establishment of budget guidelines which exceed those granted to other City departments, I am once again requesting that work continue on the five operating issues listed above.

In addition it should be clear that these are final bottom line numbers and that any collective bargaining settlements which result in FY2000 costs beyond already established patterns (2%, \$2000 settlement, 2% increase in employee health insurance contributions) will need to be funded from existing school resources. Finally any unanticipated increase in state aid will go towards funding the extended day program currently in planning.

Very truly yours

A handwritten signature in cursive script, appearing to read "Robert W. Healy". The signature is written in dark ink and is positioned above the printed name.

Robert W. Healy
City Manager

CITY MANAGER'S GUIDELINES

EXPENDITURES

	FY98-99	Increase Manager's Guidelines FY99-00	Est. FY99-00 Budget
Operating Budget	\$89,642,050	\$5,839,745 (6.5%)	\$95,481,795

REVENUES

Operating Budget	FY98-99	FY99-00 Increase	Percentage	Est. FY99-00 Budget
Property Taxes	\$66,997,905	\$2,949,986	4.4%	\$69,947,891
State Aid	\$20,333,145	\$ 488,159	2.4%	\$20,821,304
Free Cash	\$ 300,000	\$1,101,600	367%	\$ 1,401,600
School Stab Fund	0	\$1,300,000	n/a	\$ 1,300,000
Other	\$ 2,011,000	0	0	\$ 2,011,000
Total	\$89,642,050	\$5,839,745	6.5%	\$95,481,795

EXPENDITURES

	FY98-99	Increase Manager's Guidelines FY99-00	Est. FY99-00 Budget
Debt/Capital	\$5,173,920	\$1,570,288 (30.4%)	\$6,744,208

REVENUES

Debt/Capital	FY98-99	FY99-00 Increase	Percentage	Est. FY99-00 Budget
Property Tax	1,463,585	-	-	1,463,585
SBAB Reimbursement	3,343,335	1,570,288	47.0%	4,913,623
Chapter 70	367,000	-	-	367,000
Total	5,173,920	1,570,288	30.4%-	6,744,208

EXPENDITURES

	FY98-99	Increase Manager's Guidelines FY99-00	Percentage	Est. FY99-00 Budget
Total School Budget	\$94,815,970	\$7,410,033	7.8%	\$102,226,003

REVENUES

Total School Budget	FY98-99	FY99-00 Increase	Percentage	Est. FY99-00 Budget
Property Taxes	\$68,461,490	\$2,949,986	4.3%	\$ 71,411,476
State Aid	\$24,043,480	\$2,058,447	8.6%	\$ 26,101,927
Free Cash	\$ 300,000	\$1,101,600	367%	\$ 1,401,600
School Stab Fund	0	\$1,300,000	n/a	\$ 1,300,000
Other	\$ 2,011,000	0	0	\$ 2,011,000
Total	\$94,815,970	\$7,410,033	7.8%	\$102,226,003

DRAFT - 1/21/99

**FY1999-2000 Budget - Preliminary Draft List of New/Expanded Priorities
Being Considered by Superintendent**

Estimated Amounts

A. School Budget

Focus on Closing the Achievement Gap

**\$900,000-1,400,000
(See Note 1 below)**

Reading/Literacy Initiatives

- Year 2 Implementation of ECRS/Reading Rec. Policy
- School Improvement Plan Funding-Emphasis on Reading Programs
- Restoration of Curriculum Coord. Positions
- Curriculum/Material Supports

Facilities/Support Services

- Elementary Facilities Planning
- ADA Improvements
- New Financial/Personnel/Payroll Info. System

Program/School Supports

- Technology Training/Lab Support
- Summer School Programs
- Second Language Initiatives
- Elementary School Administrative & Clerical Assistance
- Middle School Development/Expansion
- SPED Inclusionary Prog. Implementation
- CRLS Restructuring

Systemwide Supports

- Professional Development Center
- Student Achievement & Accountability Office
- Personnel/Recruitment/Diversity
- Systemwide Audit

B. City/School Collaborations

\$650-700,000

- Extended Day/Agenda for Children
- School to Work Program
- Family Resource Center

C. Other

\$ Unknown

- Teacher Contract Negotiations - Increased Costs (if any) Over and Above Current Assumptions (2%/\$2,000 1-Time, 2% incr in Hlth), to Obtain Additional Time (Options: trading time for time)

Note 1: Assuming additional funding of \$905,000 over original City Manager's Guideline, an additional \$400,000-500,000 of present level reductions & reallocations would be required to fund \$1.4 million worth of New/Expanded initiatives (\$385,000 in projected staffing reductions are already tentatively identified based on elementary staffing policy approved in FY1998-99).

FY 1999-2000 School Department Financial Estimates-1/21/99

A. 1.	FY 1998-99 Original Adopted Budget:	\$ 94,815,970
2.	Plus: City Manager's Preliminary Budget Guideline to all dept. heads; 1% salary, fringe benefits incr., 1-time salary bonus pyt. (\$2000 pro-rata)	3,146,586
3.	Plus: Increased state school construction aid for Fitzgerald project	1,570,288
4.	Equals: Preliminary Budget Target	<u>\$ 99,532,844</u>
B. 1.	FY1998-99 Original Adopted Budget:	\$ 94,815,970
2.	Plus projected FY99-00 "Present Level" Cost Increases:	5,339,812
3.	Plus: debt service increase for Fitzgerald project, funded by state aid	1,570,288
3.	Plus estimated \$500,000 Supplemental Bgt. requests:	500,000
4.	Equals: Projected FY99-00 preliminary budget requirements:	<u>\$ 102,226,070</u>
C. 1.	Preliminary Projected Funding Shortfall (A-3 minus B-4)	(\$ 2,693,226)
2.	Offset: partial funding of 1-time bonus payment from School Salary Stabilization Fund	1,300,000
3.	Equals: projected funding shortfall after offset	<u>(\$ 1,393,226)</u>
4.	Other non-tax funding:	
	a. Continuation of FY98-99 supplemental funding from increased per pupil state aid	200,000
	b. Estimated FY99-00 \$75/per-pupil state aid increase	600,000
	c. Less estimated Charter School tuition loss: (*)	(311,841)
5.	Equals: net estimated funding shortfall after applying non-tax revenues:	<u>(\$ 905,067)</u>
6.	Additional funding provided by City Manager on 1/21/99	\$ 905,067
7.	Remaining shortfall:	\$0
D. 1.	Projected staffing reductions based on policies: (7 teachers) which can be reallocated to Supplemental Budget Priorities	\$ 385,000

* Also, FY98-99 Charter School tuition loss is estimated to be \$465,327 less than budgeted due to decrease in number of Cambridge students attending Charter Schools.

Comparison of Current and Projected Cost Increases

Projected Increase in Expenditures	FY'98-99	FY'99-00	Change
<u>Previous Yr. Bdgt. (Projected):</u>			
Operating Budget		\$89,642,050	
Debt Service/Sch. Capt'l Proj. Bdgt.		<u>\$5,173,920</u>	
Total Prior Fiscal Year Budget		\$94,815,970	
A. Salaries and Fringe Benefits:			
1. Salary Step, Degree, and Longevity Increments	640,300	653,106	12,806
2. Estimated Salary Increases for All Employees- Assumes 2.0% Incr. in FY1999-2000 (FY'98-99 Increase 3.5%)	2,025,474	1,211,200	-814,274
3. Full Funding for Admin. Positions: Dir. of Human Resources, RSTA Admin. Positions, and Coord. of Social Studies (FY'98 Bgt. Reflected 4 mo. Salary Svgs. Until positions Filled)	77,382	0	-77,382
4. Full Operating Budget Funding for Add'l Tchr. & Support Positions Required During 1 Yr. of the Implementation of Elem. Facilities Plan. Funded in FY'97-98 From One-time Allocation from School Salary Stabilization Fund.	231,639	0	-231,639
5. Full Funding of Partially Funded and Unfunded Teacher and Support Positions Including Positions Due to Enrollment and Involuntary Transfers	695,623	160,734	-534,889
6. Estimated One-time Signing Bonus for all employees	0	2,401,600	2,401,600
7. Dental Insurance (Assumes Same Level of % Incr. as Salary Increases in Item 2)	19,419	11,485	-7,934
8. City Pension (FY1999-2000-3% Increase)	71,570	74,648	3,078
9. Health Insurance Increase (FY1999-2000-0% Increase)	551,883	0	-551,883
10. Employer Share-Medicare Withholding (FY1999-2000-12% Incr.)	12,570	53,253	40,683
11. MTRB Early Retirement Program Savings/Funding Requirement	<u>-29,000</u>	<u>-28,000</u>	<u>1,000</u>
Sub-Total Salaries and Fringe Benefits:	4,296,860	4,538,025	241,165
B. Supplies and Services:			
12. Special Educ. Day & Resid. Tuitions (FY1999-2000-7.5% Incr., Plus Est. CY Shortfall-\$90K)	567,999	585,924	17,925
13. Regular Transportation-(FY1999-2003-0% Contract Incr., Plus CY Shortfall \$75K) Special Educ. Transportation--In-City Trans.- 3% Incr for FY2000-2003, Tuitioned-Out Trans - 0% in FY2000, and 3% thereafter	105,113	75,000 8,364	-30,113 8,364
14. Legal Costs-Estimated Shortfall for FY1998-99	60,000	60,000	0
15. Student Base Rate Increase for Materials (\$3 Incr. Per Pupil)	22,889	22,899	10
16. Vocational Education Tuitions to Outside programs	45,000		-45,000
17. Other Contractual Increases	<u>49,600</u>	<u>49,600</u>	<u>0</u>
Sub-Total Supplies and Services:	850,601	801,787	-48,814
C. Travel and Training;/D. Furniture and Equipment:	0	0	
Total Operating Increases:	5,147,461	5,339,812	192,351
E. Debt Service/School Capital Projects:			
18. Prin. & Int. On Long-Term Bonds/Transfer to Sch. Stabil. Fund for Future Capt'l Expend.		1,570,288	
Total Debt Service/School Capital Proj.:		1,570,288	
Total Estimated Expenditure Increases:		6,910,100	
		<u>FY'99-00</u>	
Operating Bdgt.		\$94,981,862	
Debt Service/Sch. Capt'l Proj. Bdgt.		<u>\$6,744,208</u>	
Total FY1998-99 Budget		\$101,726,070	
% Change		7.3%	
		101,726,070	

Collective Bargaining Financial Settlements for 1999-2000

<u>Unit</u>	<u># of empl.</u>	<u>Settlement for FY1999-2000</u>
1. Custodial-Local 1611 AFSCME	88	-2% salary increase -\$2,000 1-time payment on 1/15/2000 for empl. on payroll for prior year, prorated for part-time empl. -2% increase in employee health insurance contribution (from 10% to 12%)
2. Food Service Employee Association	46	-2% salary increase -\$750 1-time payment on 2/1/2000 for empl. on payroll for prior year, prorated for part-time empl. -2% increase in employee health insurance contribution (from 10% to 12%)
3. Paraprofessional Association	173	-2% increase -\$1,000 1-time payment on 1/15/2000 for empl. on payroll for prior year. -2% increase in employee health insurance contribution (from 10% to 12%)
4. Safety Specialist Association	15	-2% increase -\$2,000 1-time payment on 1/15/2000 for empl. on payroll for prior year. -2% increase in employee health insurance contribution (from 10% to 12%)
5. Substitute Teachers (CTA Unit D)	35	-2% increase - No 1-time payment -2% increase in employee health insurance contribution (from 10% to 12%)
6. Parent Liaisons	26	-2% increase -\$650 1-time payment on 2/1/2000 for empl. on payroll for prior year. -2% increase in employee health insurance contribution (from 10% to 12%)
7. CTA Unit A & B (Tchrs & Adm.)	838	- Not yet negotiated
8. CTA Clerical Unit C	92	- Not yet negotiated
9. Non-Union Employees (incl. adm.)	270	- Not yet approved

MCAS 1998

District and Individual School Summary Charts

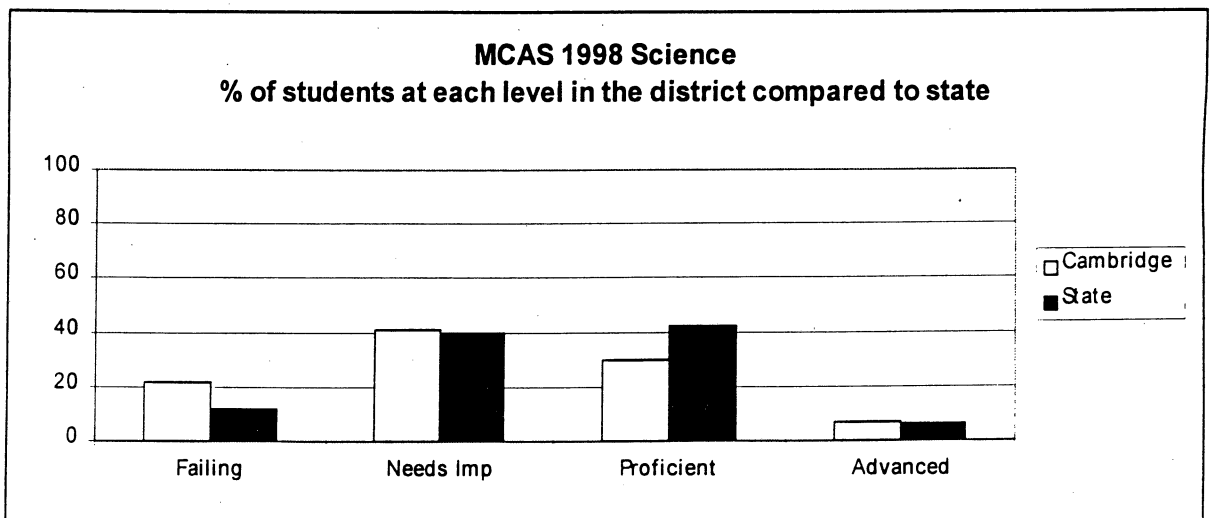
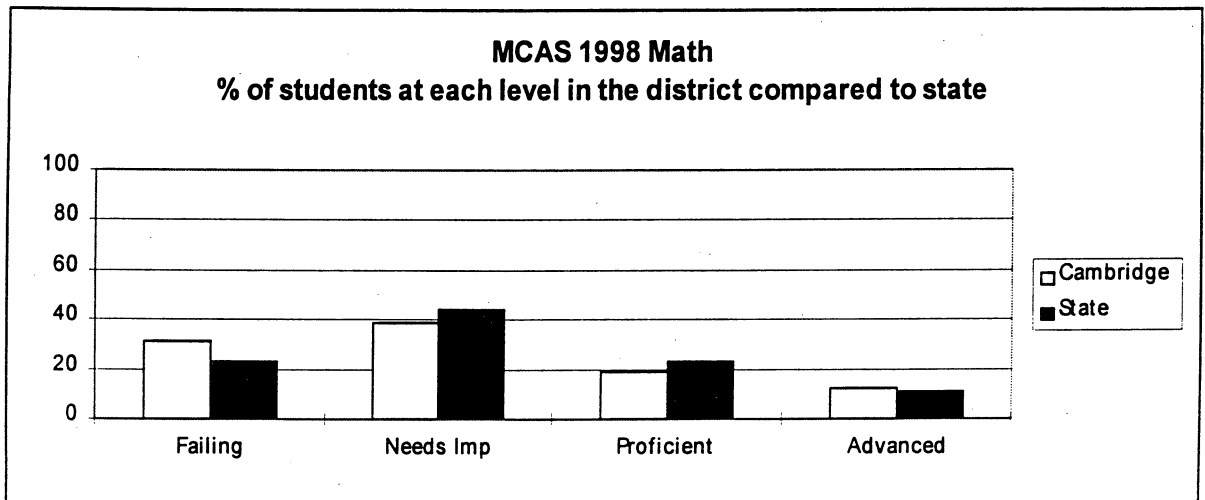
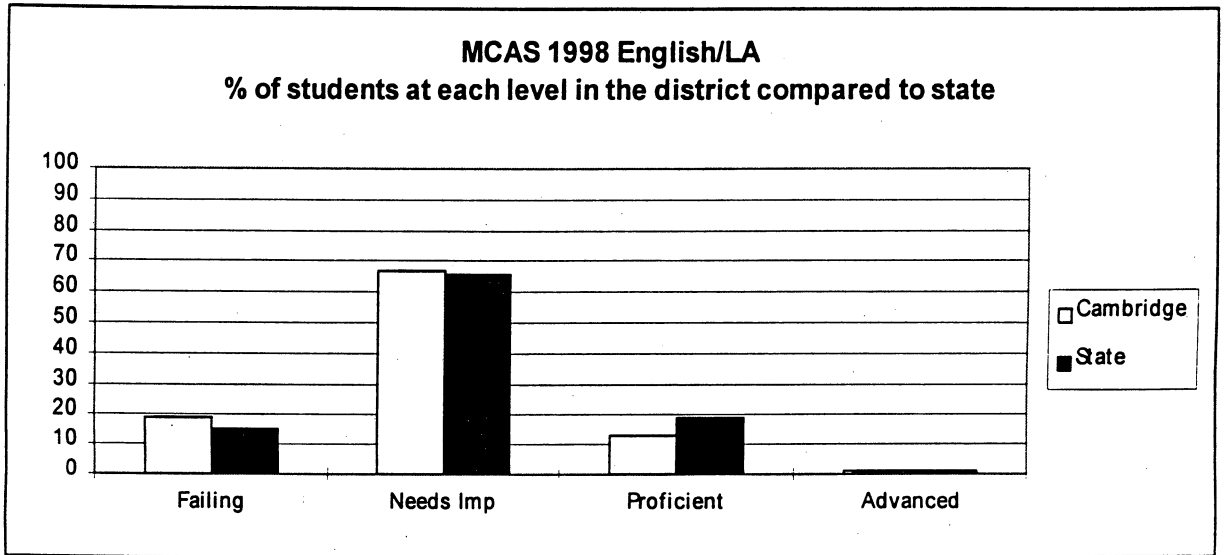
Prepared by the Office of Development and Assessment

MCAS 1998 District and Individual School Summaries

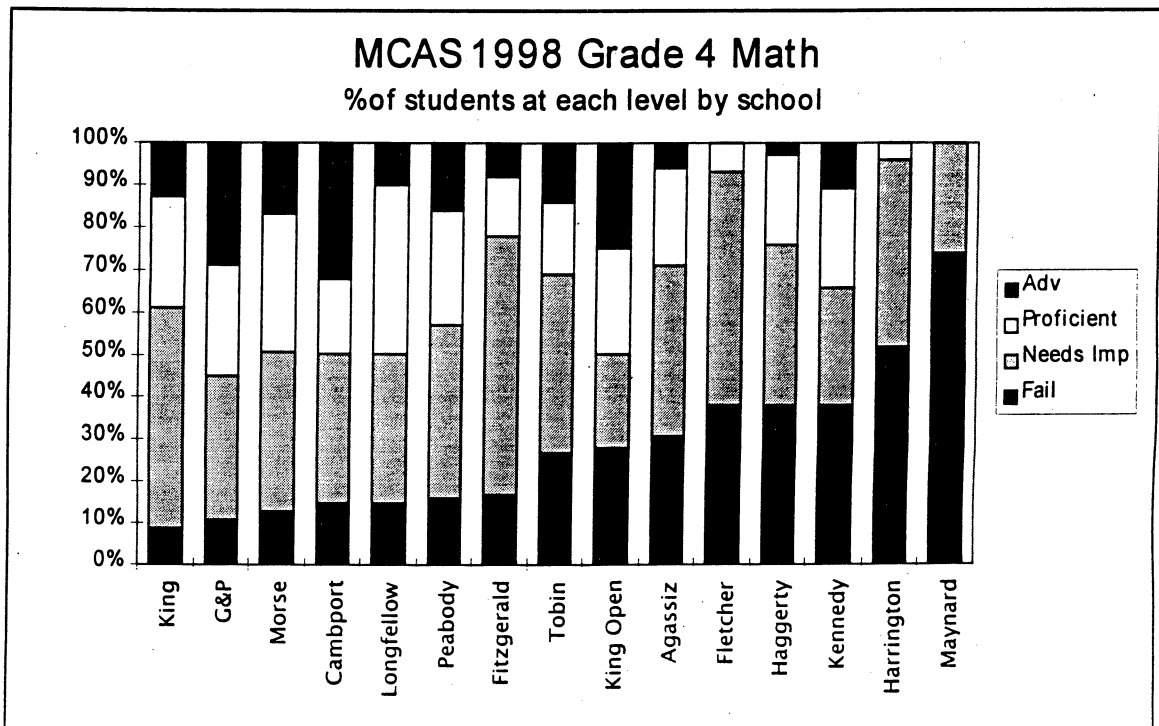
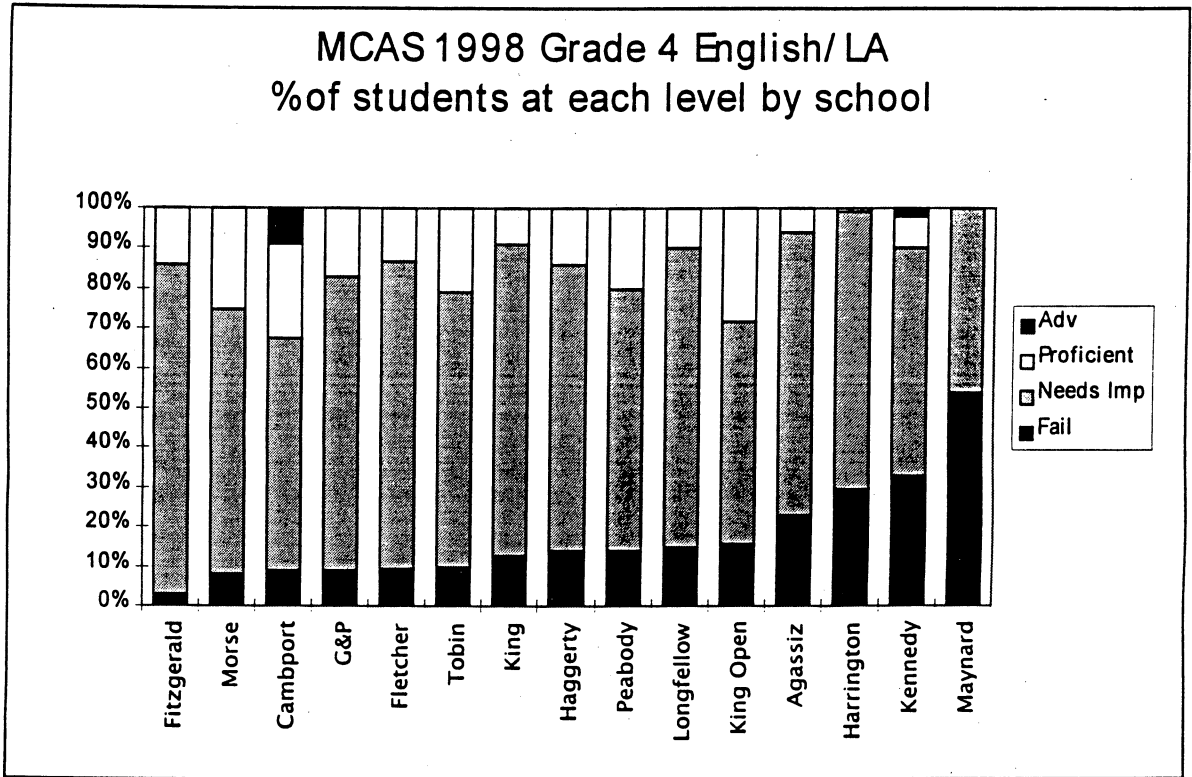
MCAS Grade 4 District Compared to State Levels..... 3
MCAS Grade 4: Proportion of Students at Each Level by School..... 4
MCAS Grade 8: District Compared to State Levels..... 6
MCAS Grade 8: Proportion of Students at Each Level by School..... 7
MCAS Grade 10 District Compared to State Levels..... 9

MCAS Grade 4

District Compared to State Levels

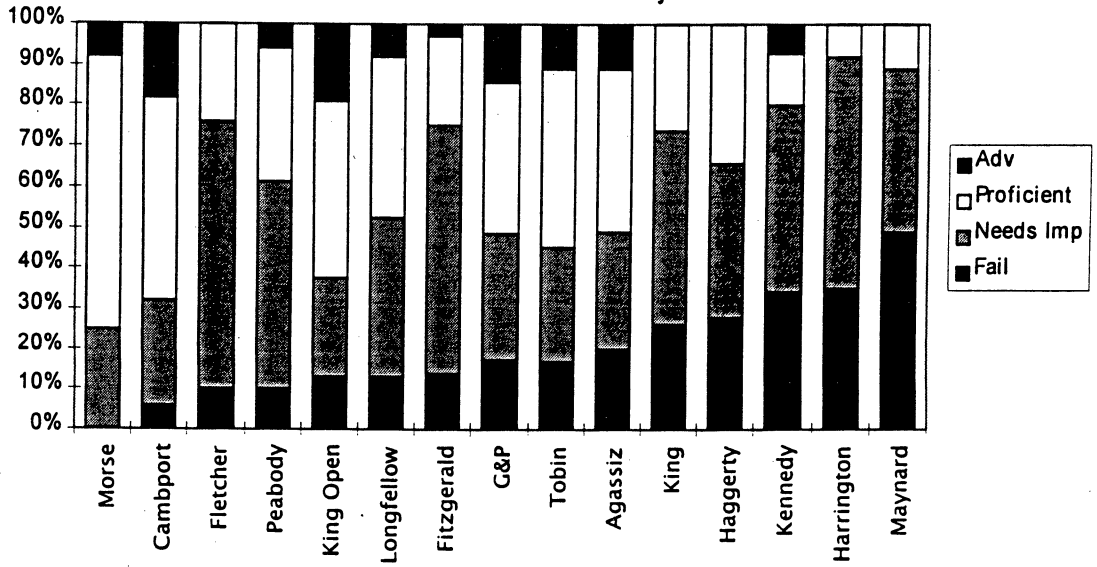


MCAS Grade 4: Proportion of Students at Each Level by School

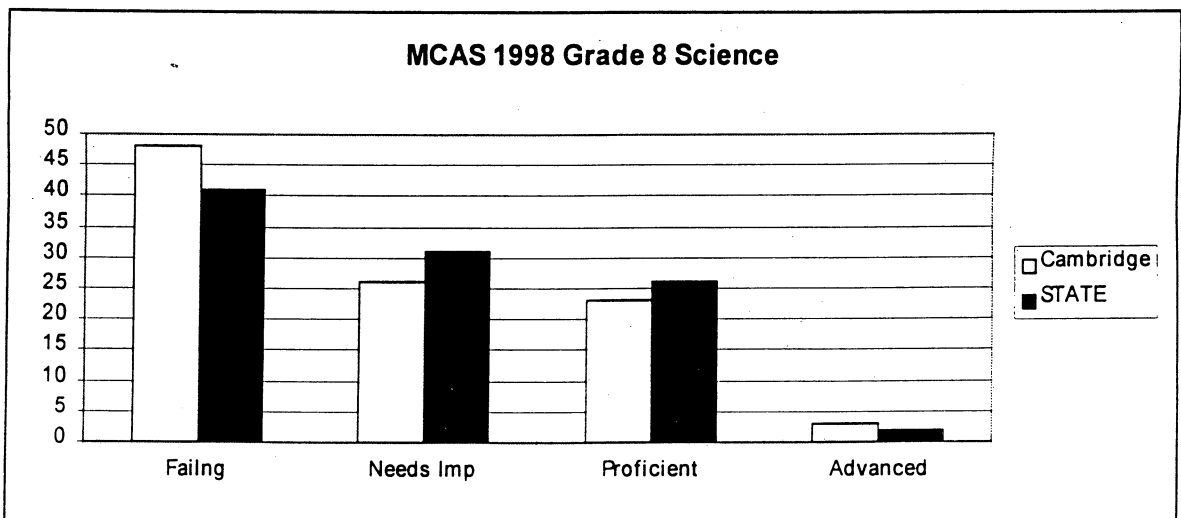
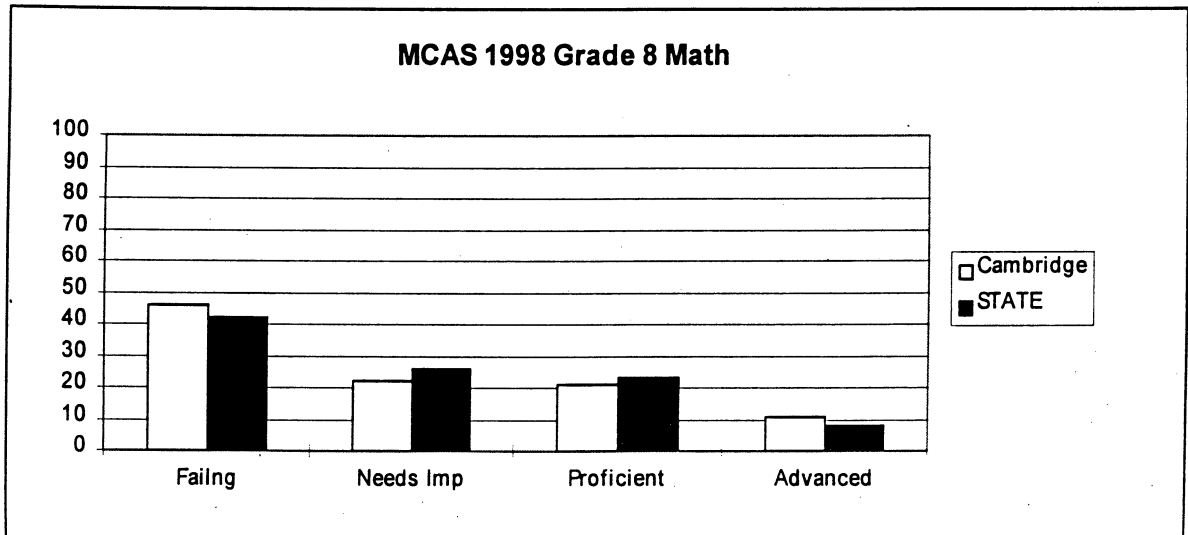
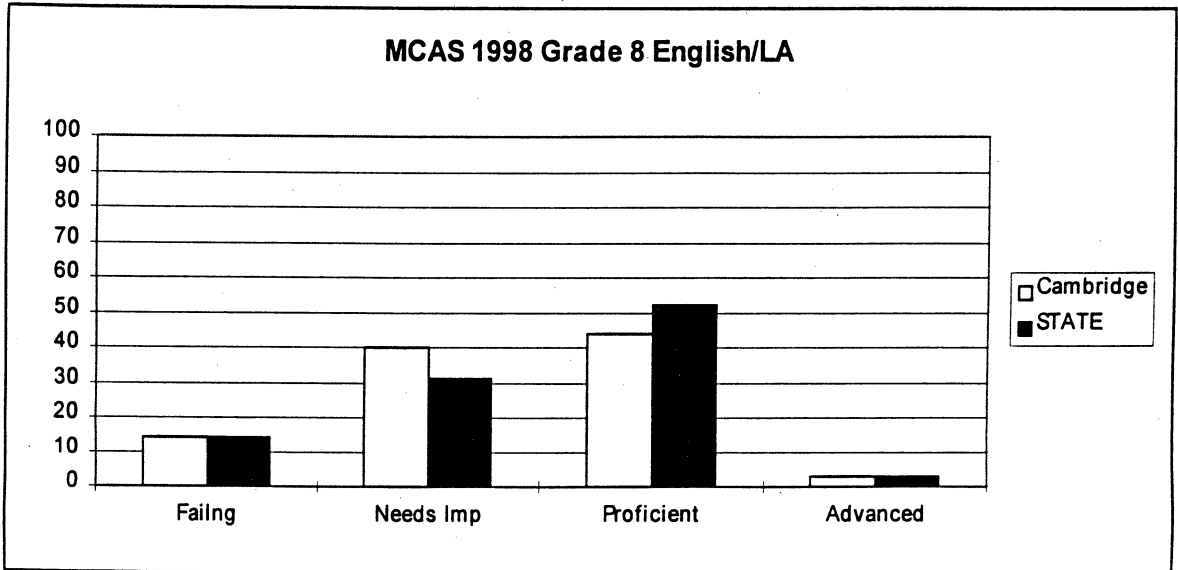


MCAS 1998 Grade 4 Science

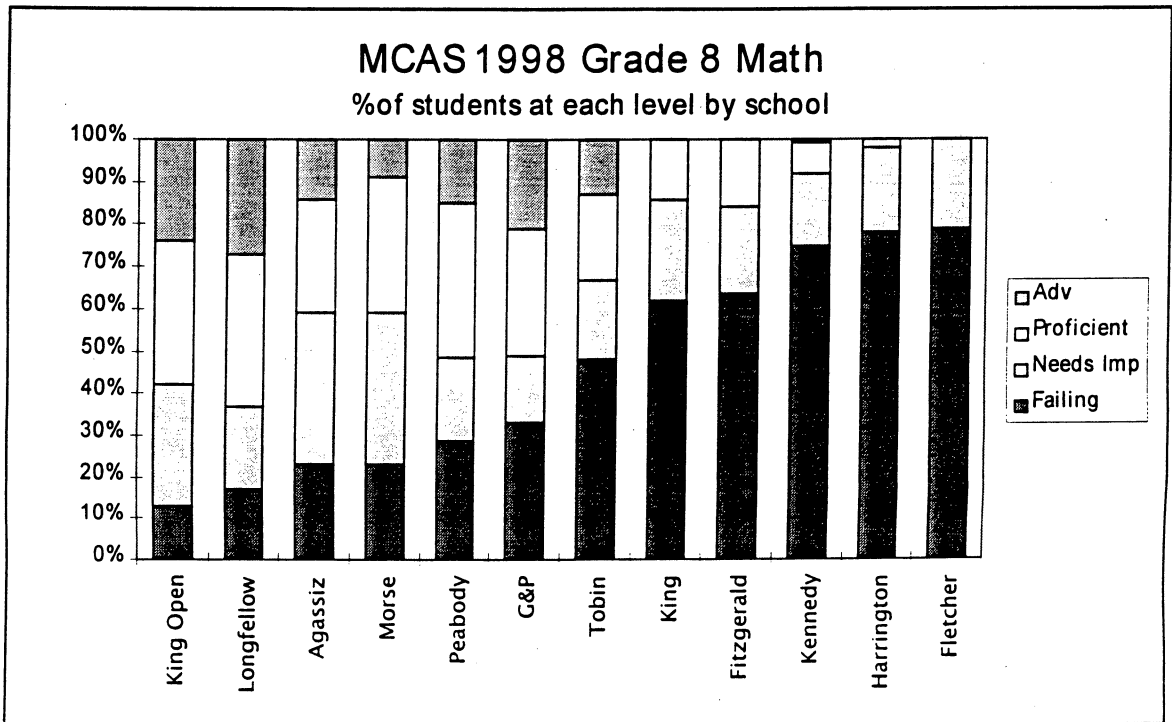
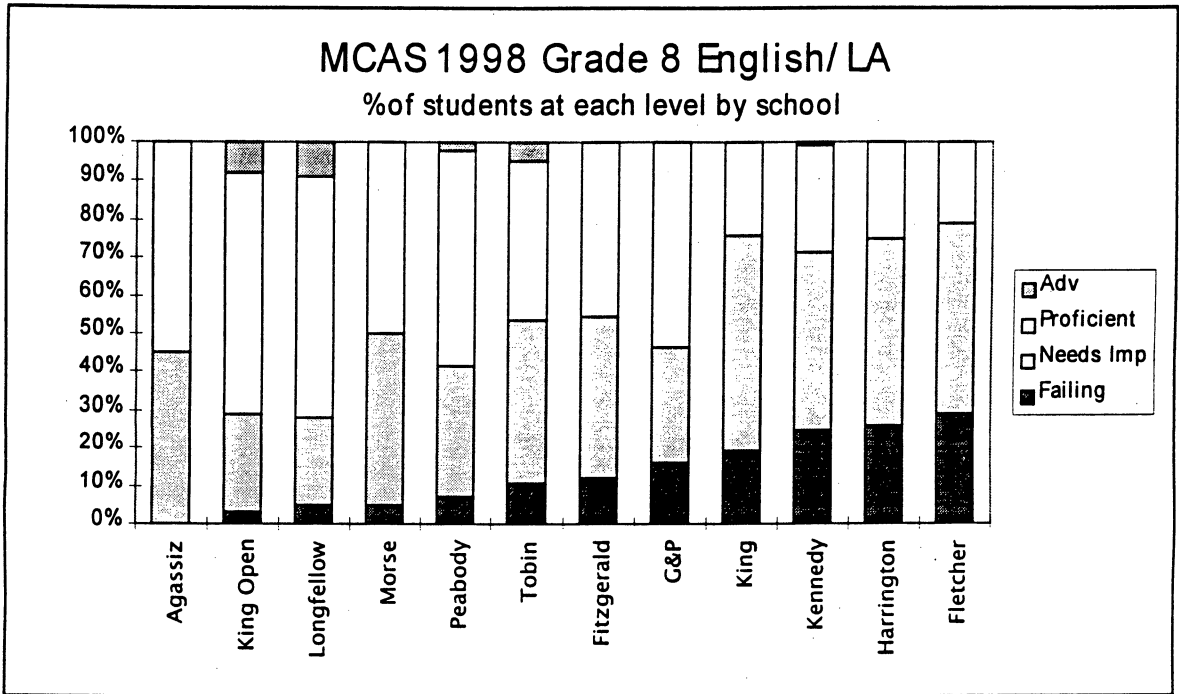
% of students at each level by school



MCAS Grade 8: District Compared to State Levels

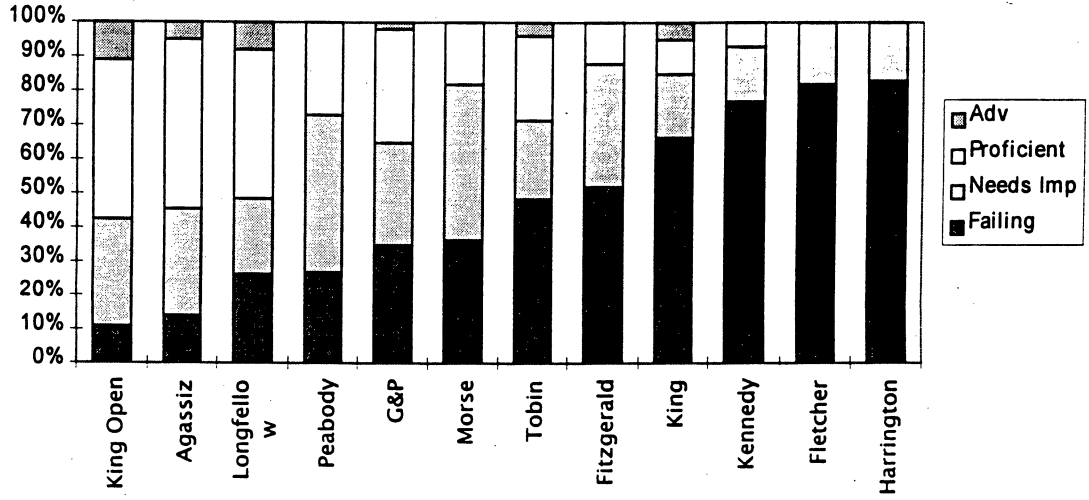


MCAS Grade 8: Proportion of Students at Each Level by School



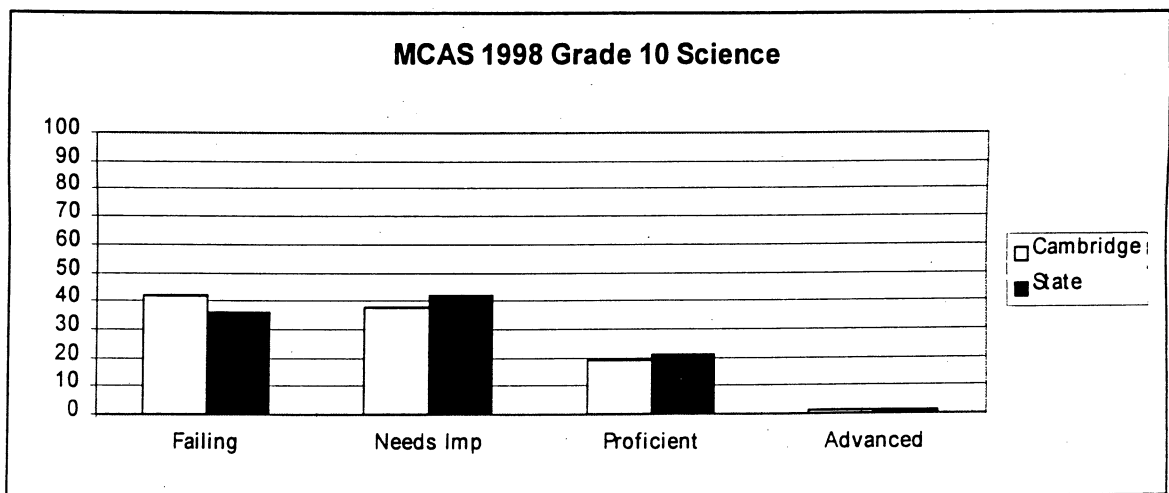
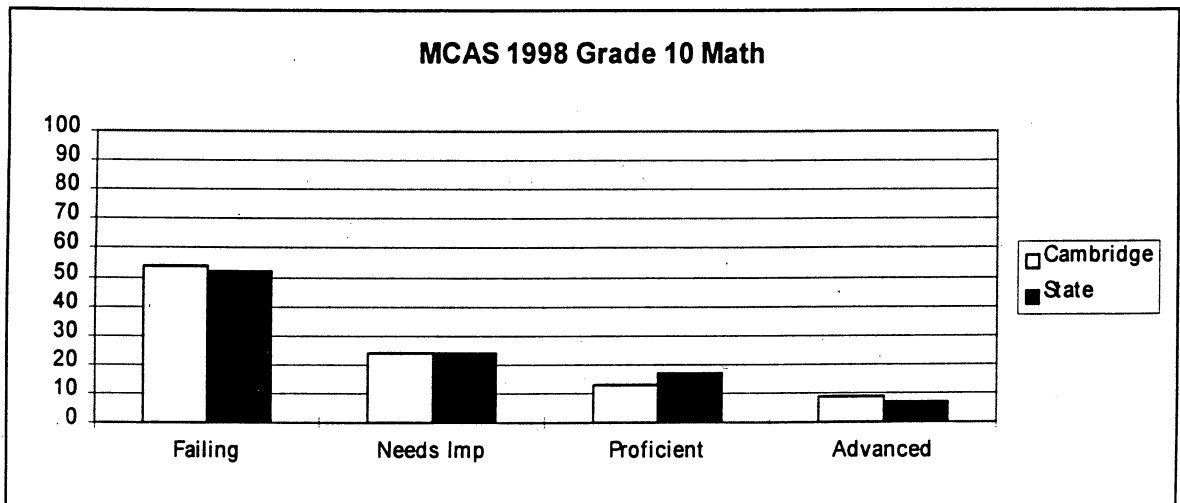
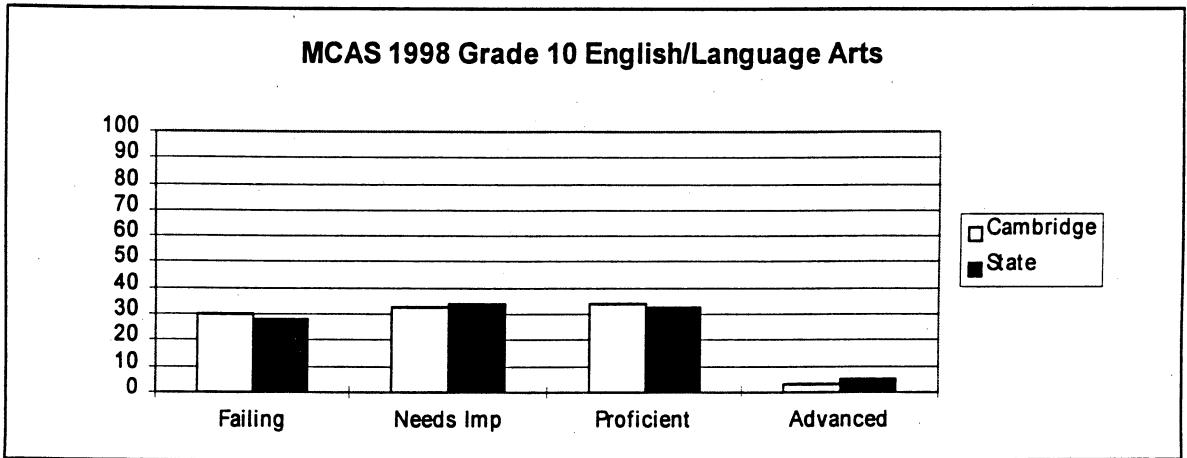
MCAS 1998 Grade 8 Science

% of students at each level by school



MCAS Grade 10

District Compared to State Levels All Students



Notes

City of Cambridge

In City Council January 22, 1999

The Finance Committee held a public meeting with the School Committee on January 27, 1999, beginning at 7:25 p.m. in the Sullivan Chamber for the purpose of discussing the FY 2000 School budget guidelines and the results of the MCAS tests.

Present for the City Council at the hearing were Councillor Michael A. Sullivan, Chair of the Committee, Mayor Francis H. Duehay, Vice Mayor Anthony D. Galluccio, Councillor Kathleen Leahy Born, Councillor Henrietta Davis, Councillor Kenneth E. Reeves, Councillor Sheila T. Russell, Councillor Timothy J. Toomey, Jr., Councillor Katherine Triantafillou, City Clerk D. Margaret Drury and Assistant to the City Council Sandra Albano. Present for the School Committee were Alice Turkel, Co-Chair of the Budget subcommittee, Denise Simmons, Robin Harris, Susana Segat and Claire Rodley, Secretary to the School Committee. Also present were Robert W. Healy, City Manager; Bobbie D'Allessandro, School Superintendent; James Maloney, Assistant City Manager for Finance; Patrick Murphy, Deputy Superintendent; James Conroy, Director of Administration and Finance; Ruby Pierce, Lenore Jennings, Carolyn Turk, Marianne McDonald, Barbara Black, Louis DePasquale and David Kale.

Councillor Sullivan convened the hearing and explained the purpose. He opened the meeting with a moment of silence for the father of School Committee member David Maher, William Maher, who passed away today.

Councillor Sullivan announced that the meeting would begin with the budget discussion and introduced Robert W. Healy.

Mr. Healy described the budget guidelines that he is requiring for city department heads. He said that if this were applied to the school system, there would be a gap between what the School Superintendent believes is necessary for an educationally sound school operation. Thus, after discussion with the Superintendent and the Chair of the Finance Committee of the City Council and the Co-Chairs of the Budget Subcommittee of the School Committee, there has been an agreement about a 7.8% spending increase guideline, which is a higher level of flexibility to increase spending than the limit being imposed on other city departments by the FY 2000 budget guidelines. Mr. Healy submitted a copy of this letter to the Superintendent laying out the guidelines (Attachment A).

Committee Report #6

S-1398

A report from Councillor
Michael A. Sullivan, Chair of
the Finance Committee, for
the purpose of discussing the
FY 2000 School budget guidelines
and the results of the MCAS tests.

In City Council February 22, 1999

Report Accepted
Placed on file