City of Cambridge

The Finance Committee of the City Council and the Finance Committee of the School Committee held a joint public meeting on January 28, 1997, beginning at 6:30 p.m. in the Sullivan Chamber for the purpose of a preliminary overview of the FY 98 budget.

Present at the hearing were the following members of City Council: Councillor Michael A. Sullivan, Chair of the Committee, Vice Mayor Kathleen L. Born, Councillor Henrietta Davis, Councillor Francis H. Duehay, Councillor Anthony D. Galluccio, Councillor Kenneth E. Reeves, Mayor Sheila T. Russell, Councillor Timothy J. Toomey, Jr., and Councillor Katherine Triantafillou and the following members of the School Committee: Susana Segat and Alfred Fantini, Co-Chairs of the Finance Committee, Joseph Grassi, David Maher, Alice Turkel and Denise Simmons.

The following City staff were present: Robert W. Healy, City Manager; James Maloney, Assistant City Manager for Finance; Louis DePasquale, Budget Director. The following Schools staff were present: Mary Lou McGrath, Superintendent; Patrick Murphy, Deputy Superintendent; James Conry, Executive Director of Management Services; David Kale, Manager of Financial Services and James Ball, Public Information Officer. Also present were D. Margaret Drury, City Clerk, Donna Lopez, Deputy City Clerk, Claire Rodley, Secretary to the School Committee and Sandra Albano, Assistant to the City Council.

Superintendent McGrath distributed information regarding the FY 98 Schools Budget and the five year projections for the schools budget which is attached to this report. Programmatic information was also distributed by Superintendent McGrath, and that information is on file at the Office of the City Clerk.

The meeting consisted of a discussion of the attached material, the budget issues facing the schools this year, and the effect of the upcoming change in leadership on budget planning.

No votes were taken.

The meeting was adjourned at 8:55 p.m.

For the Committee,

Michael A. Sullivan
DMD

Councillor Michael A. Sullivan
Chair

Date sent: **Mon, 24 Feb 1997 16:08:36 -0500 (EST)**
From: **MARINOFF@ci.cambridge.ma.us**
Subject: **ComputerWorld Premier 100**
To: **MDRURY@ci.cambridge.ma.us**

ComputerWorld "has selected the "Premier 100" organizations that are among the most innovative at implementing intranet/Internet applications and Web sites to create more efficient, cost-effective methods of sharing information and conducting business."

Cambridge is among the 100 selected sites. You can view the supplemental is of ComputerWorld at:

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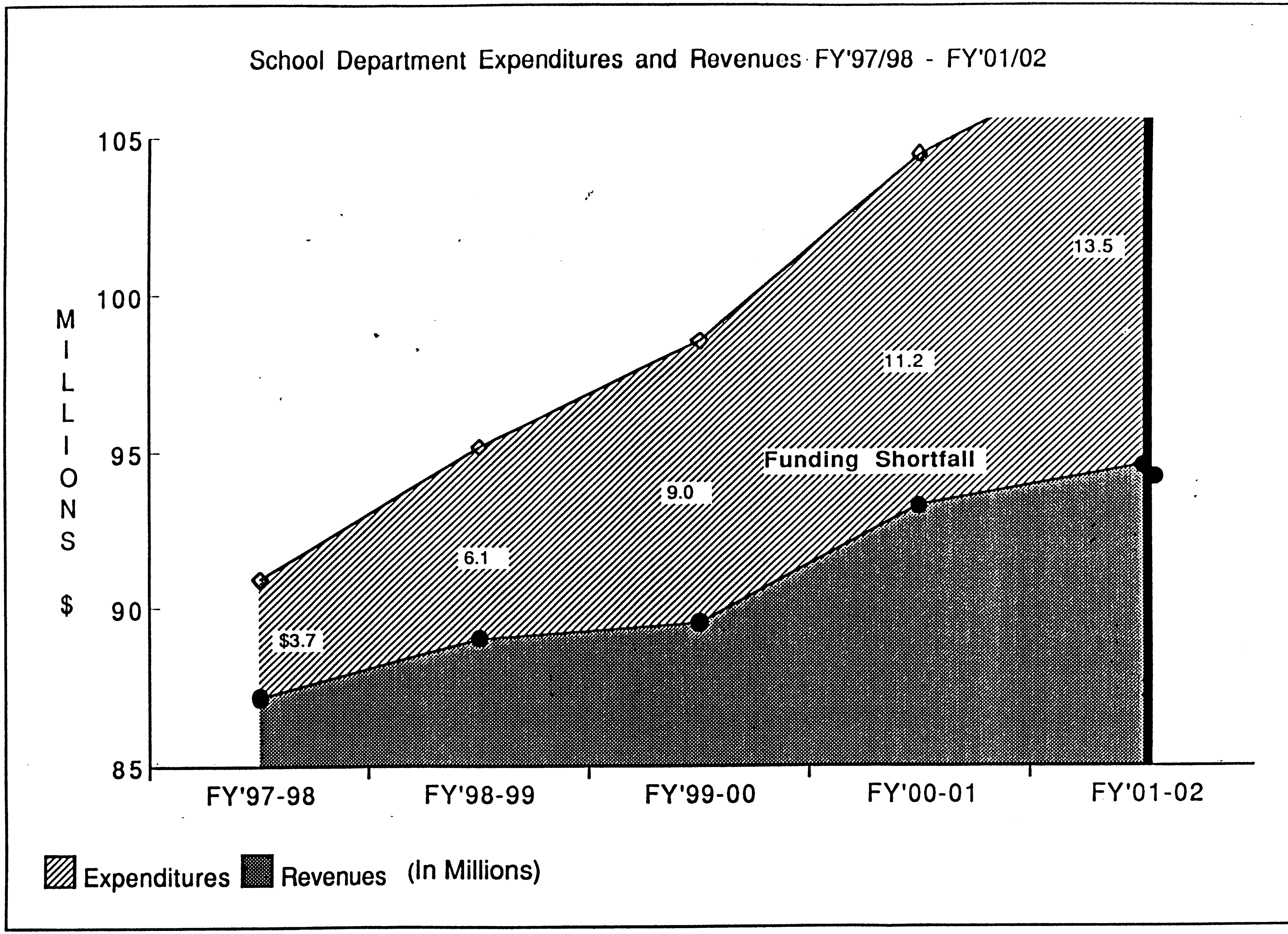
Cambridge, MA 02139 http://www.ci.cambridge.ma.us/

FY1998-2002 Budget - Revenue and Expenditure Summary

FY'97		FY'98	FY'99	FY'00	FY'01	FY'02
	A. General Operating Budget					
$81.6	Projected Revenues	$82.6	$83.8	$84.4	$85.9	$87.5
$81.6	Projected Expenditures	$86.2	$89.9	$93.4	$97.1	$101.0
$0.0	(Shortfall)	($3.6)	($6.1)	($9.0)	($11.2)	($13.5)
	B. Debt Service/Capital Budget					
$5.4	Projected Revenues	$4.6	$5.3	$5.2	$7.4	$7.1
$5.4	Projected Expenditures	$4.7	$5.3	$5.2	$7.4	$7.1
$0.0	(Shortfall)/Surplus	($0.1)	$0.0	$0.0	$0.0	$0.0
	C. Total Budget					
$87.0	Projected Revenues	$87.2	$89.1	$89.6	$93.3	$94.6
$87.0	Projected Expenditures	$90.9	$95.2	$98.6	$104.5	$108.1
$0.0	(Shortfall)/Surplus	($3.7)	($6.1)	($9.0)	($11.2)	($13.5)


School Department Expenditures and Revenues FY'97/98 - FY'01/02
MILLIONS $
105
100
95
90
85
$3.7
6.1
9.0
11.2
13.5
Funding Shortfall
FY'97-98
FY'98-99
FY'99-00
FY'00-01
FY'01-02
Expenditures
Revenues
(In Millions)

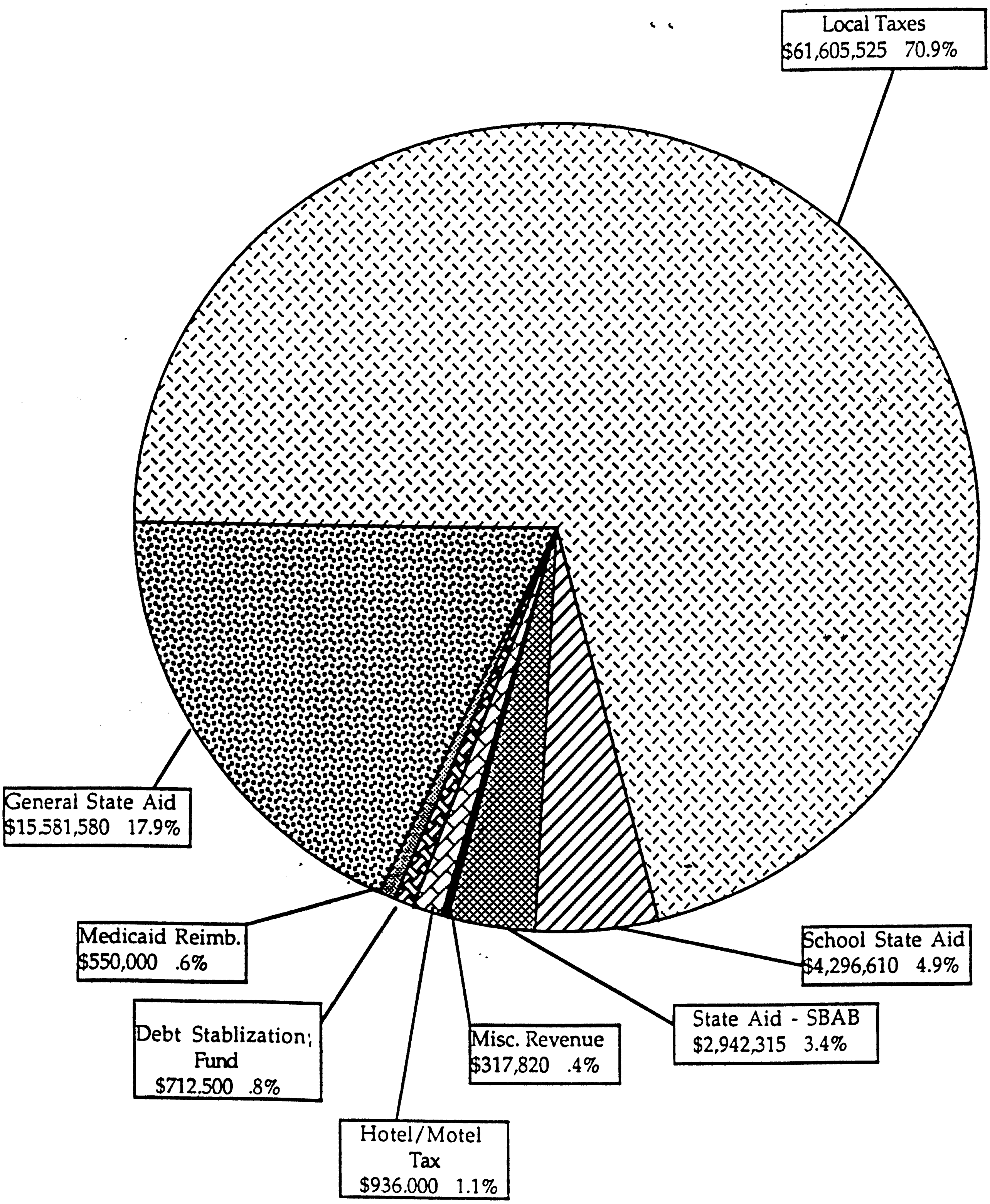
-2-

Revenue Estimates (in millions)

Bdgt. FY'97	Category	Est. FY'98
	A. General Operating Budget	
$ 60.3	Property Tax Levy	$ 61.8
15.6	General State Aid	15.6
5.0	School State Aid	5.2
-1.0	School State Aid Loss: Charter School Tuition	-1.5
1.7	Misc. City and School revenue	1.5
81.6	**Sub-Total**	82.6
	General Operating Budget Dollar Increase	$1.0
5.4	**B. Debt Service/Capital Budget**	4.6
	Debt Service /Capital Budget Dollar Increase	($0.8)
$87.0	**TOTAL BUDGET**	$87.2
	Total Dollar Increase	$0.2

FISCAL YEAR 1996 - 97 GENERAL FUND BUDGET

REVENUES



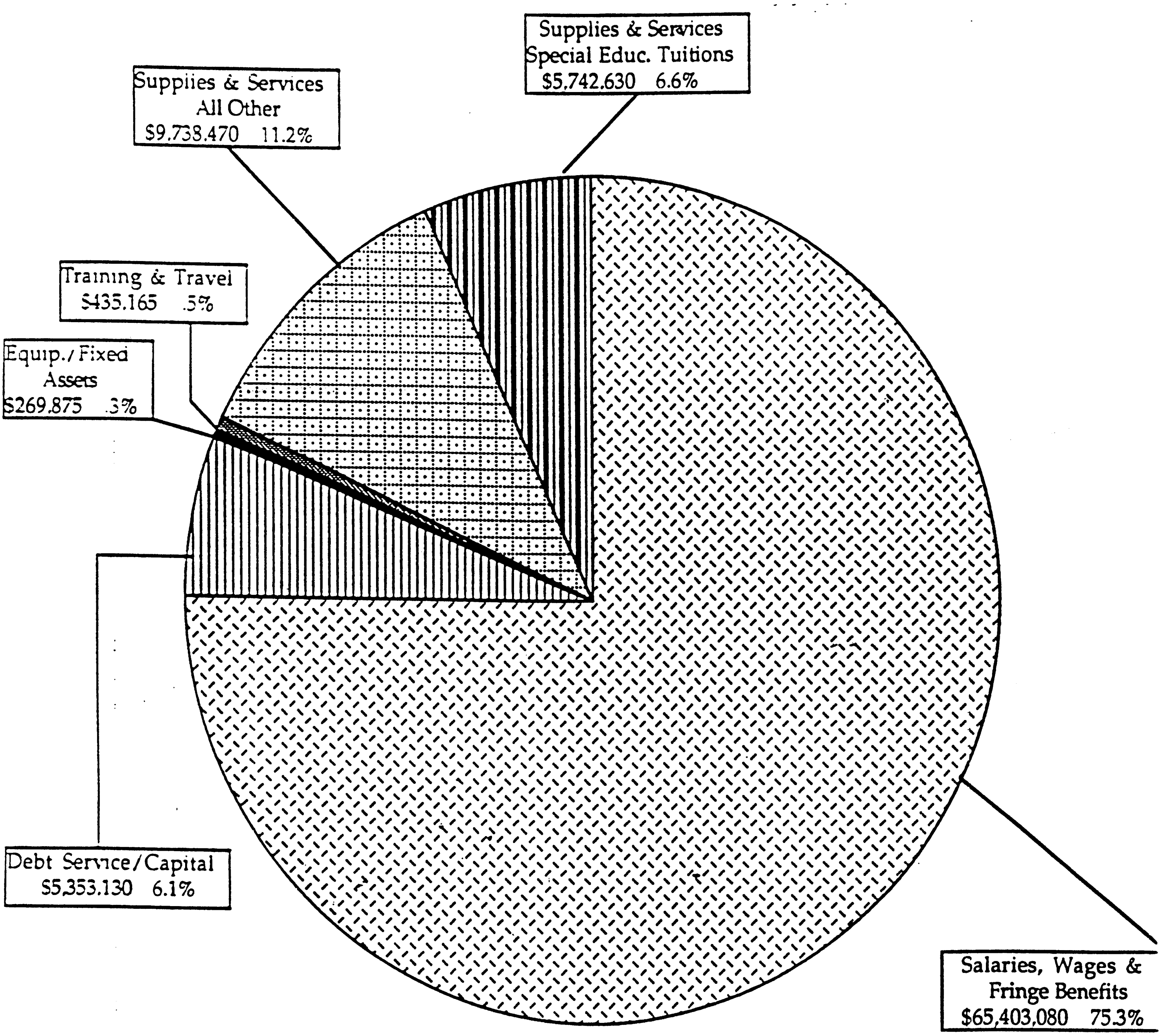
Total $86,942,350

Projected Increase in Expenditures

1. Salary Step, Degree, and Longevity Increments	580,110
2. Salary Increases for All Employees-(4% FY'97-98)	2,193,500
3. Full Funding of Partially Funded and Unfunded Teacher Positions	684,934
4. Fringe Benefits	515,963
5. Reduction of one-time Funding to Maintain CRLS House Structure in FY'97	-192,820
6. Other Decreases	-209,160
7. Special Educ.Tuitions	580,697
8. Other Non-Salary Increases	438,018
Travel and Training:	**0**
Furniture and Equipment:	**0**
Total Operating Increases:	**4,591,242**
Debt Service/School Capital Projects:	
	-711,100
	-711,100
Total Estimated Expenditure Increases:	**3,880,142**

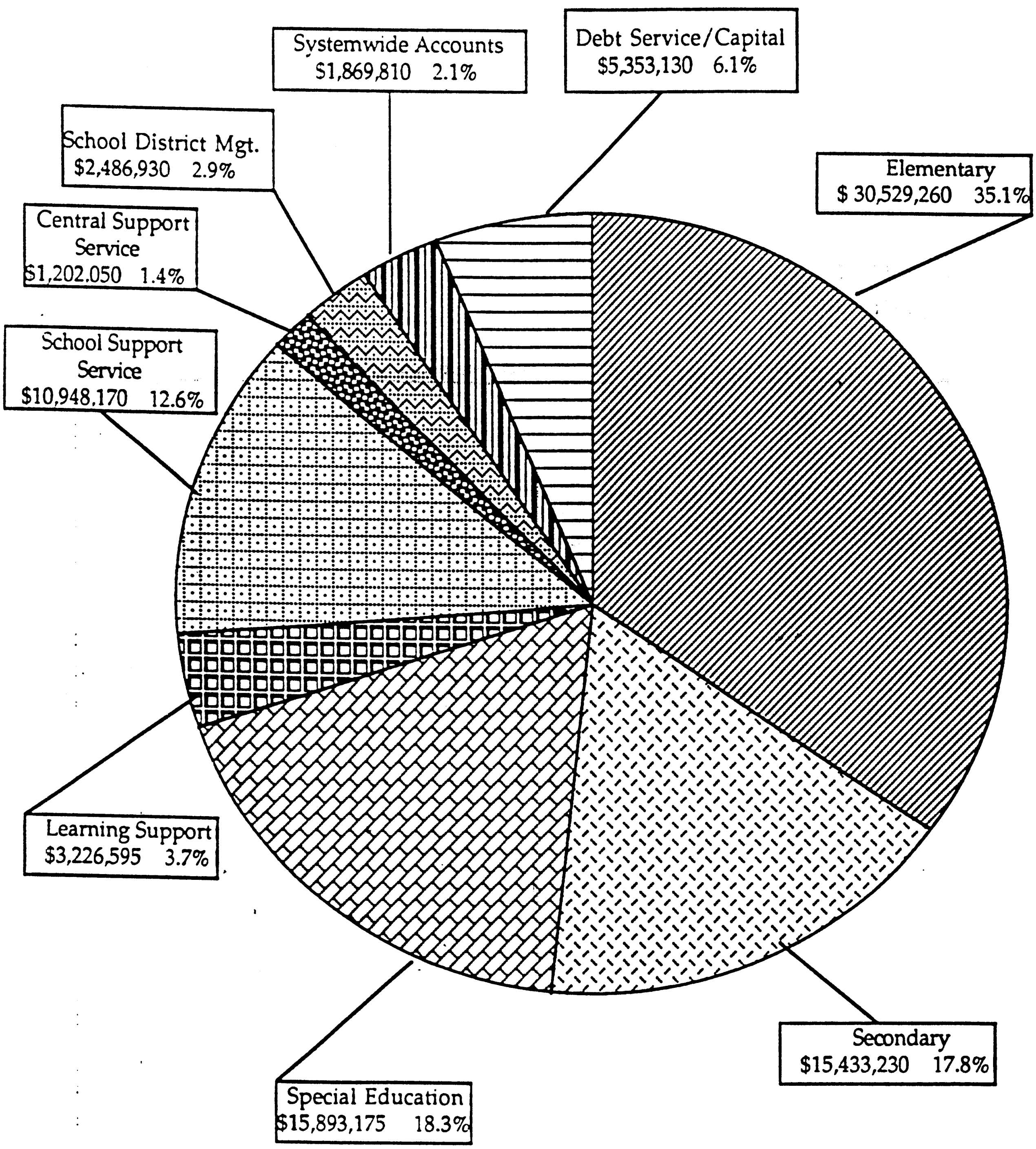
FISCAL YEAR 1996 - 97 GENERAL FUND BUDGET

EXPENDITURES



TOTAL $ 86,942,350

FISCAL YEAR 1996 - 97 EXPENDITURES BY PROGRAM CATEGORY



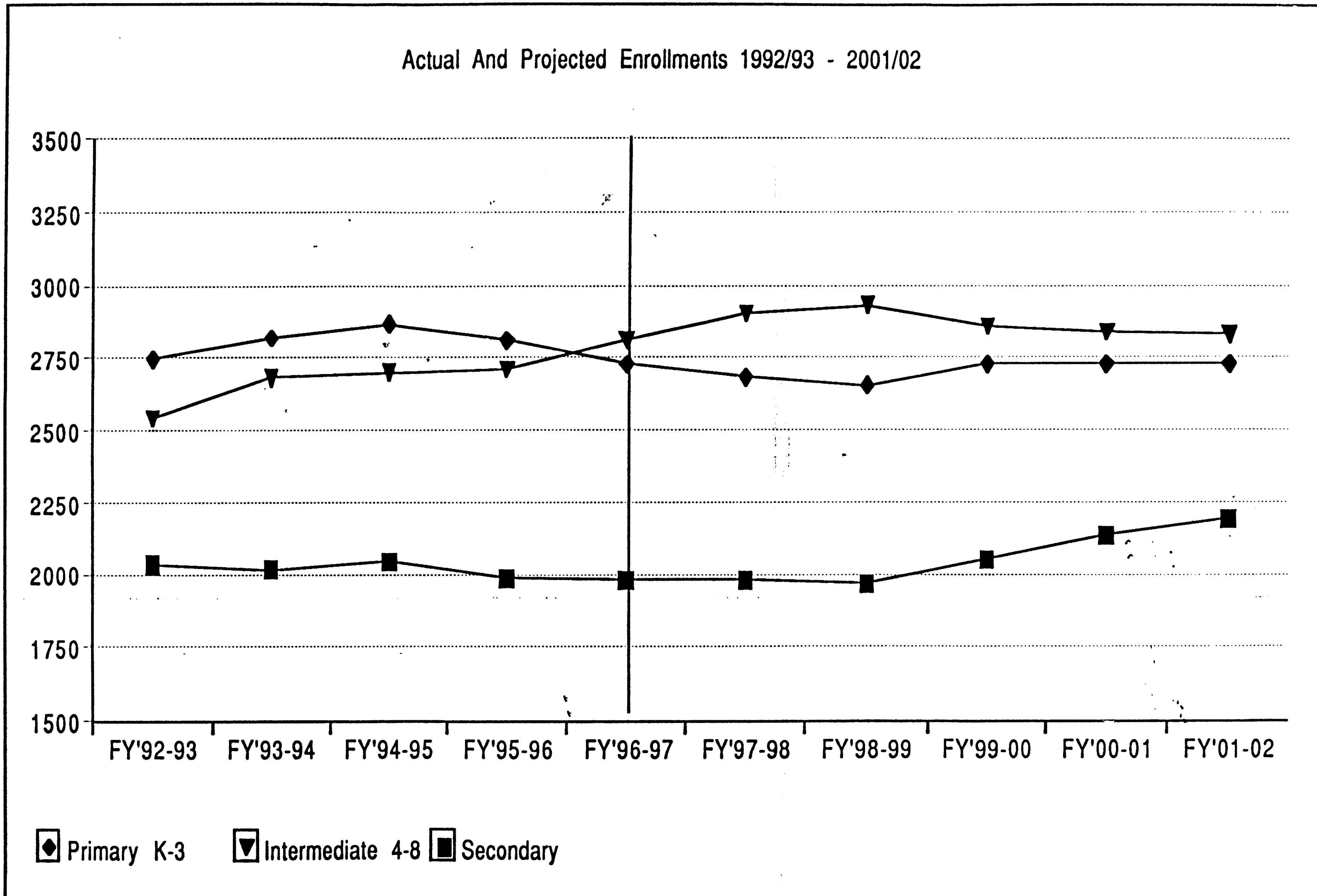
Total $86,942,350

ENROLLMENT HISTORY 1992/93 THROUGH 1996/97

Level	Actual FY'92-93	Actual FY'93-94	Actual FY'94-95	Actual FY'95-96	Actual FY'96-97
Primary K-3	2747	2825	2871	2818	2727
Intermediate 4-8	2550	2688	2703	2710	2812
Elem. Sub Total	5297	5513	5574	5528	5539
% Change		4.1%	1.1%	-0.8%	0.2%
Secondary	2038	2018	2047	1989	1983
% Change		-1.0%	1.4%	-2.8%	-0.3%
Ungraded	688	646	670	651	531
% Change		-6.1%	3.7%	-2.8%	-18.4%
Total	**8023**	**8177**	**8291**	**8168**	**8053**
Total % Change		**1.9%**	**1.4%**	**-1.5%**	**-1.4%**

PROJECTED ENROLLMENT1997/98 THROUGH 2001/02

Level	Proj. FY'97-98	Proj. FY'98-99	Proj. FY'99-00	Proj. FY'00-01	Proj. FY'01-02
Primary K-3	2684	2662	2730	2730	2730
Intermediate 4-8	2904	2933	2857	2840	2829
Elem. Sub Total	5588	5595	5587	5570	5559
% Change	0.9%	0.1%	-0.1%	-0.3%	-0.2%
Secondary	1981	1972	2053	2136	2192
% Change	-0.1%	-0.5%	4.1%	4.0%	2.6%
Ungraded	531	531	531	531	531
% Change	0.0%	0.0%	0.0%	0.0%	0.0%
Total	**8100**	**8098**	**8171**	**8237**	**8282**
% Increase	**0.6%**	**0.0%**	**0.9%**	**0.8%**	**0.5%**



Actual And Projected Enrollments 1992/93 - 2001/02
3500
3250
3000
2750
2500
2250
2000
1750
1500
FY'92-93
FY'93-94
FY'94-95
FY'95-96
FY'96-97
FY'97-98
FY'98-99
FY'99-00
FY'00-01
FY'01-02
Primary K-3
Intermediate 4-8
Secondary

CAMBRIDGE PUBLIC SCHOOLS

159 THORNDIKE STREET CAMBRIDGE, MASSACHUSETTS 02141

N96-272
FY'97-98 Bgt. Ref.
Doc. #3

December 17, 1996

To The Honorable Members of the School Committee:

FY'97-98 Budget - Five-Year School Department Financial Estimates

Please Be Notified That; the attached document provides information on our Preliminary Revenue and Expenditure Projections for the five-year planning period FY1997-98 through FY2001-02. The projections are based on updates of the estimates done last year in the budget process, and have been revised based on FY'97-98 preliminary budget guidelines issued by the City Manager, information on the impact of Charter Schools, estimated salary increases, and other items.

The projections indicate that in the upcoming FY'97-98 Budget, we will be facing a preliminary funding shortfall of $3.7 million, assuming a "Present Level of Service" budget policy. Some of the significant elements of this projected shortfall are as follows;

A. Expenditures:

1. Estimated salary increases will be 4% for FY'97-98. This has an estimated cost impact of $2,193,500 on top of the normal annual step, degree and longevity increment increases of $580,000.

2. Unfunded FY'96-97 teacher positions due to enrollment and involuntary transfers have a carry-over cost impact of $685,000 in FY'97-98.

3. Estimated cost increases in health insurance, pensions, dental insurance and Medicare employer contributions total $462,000.

4. Special education outside tuitions are estimated to increase by 7.5%, plus a projected current year shortfall of $150,000, for a total increase of approximately $581,000.

5. Increases for regular and special education transportation is estimated at $283,000. All transportation contracts expire at the end of this fiscal year and we will need to go out to bid. Based upon preliminary estimates within the market place, we anticipate a significant price increase for transportation services.

6. Total operating budget increases, including the above, are estimated at $4.6 million.

7. Debt Service/Capital Budget expenditures are projected to decrease by roughly $700,000, as a result of decreased bond principal and interest costs. Except for $55,000, this is offset by an corresponding net decrease in revenues, including debt stabilization fund transfers, that will result in no impact on the operating budget. This is in accordance with the purposes for which the stabilization fund was established in 1993. It is anticipated that the small projected shortfall for FY'98 of $55,000 can be covered within the Debt Service/Capital Projects Budget as revenue and expenditure estimates become firmer during the budget process.

B. Revenues:

1. The City Manager's revenue guidelines project a 2 1/2% increase in the property tax levy funding for the School budget, totaling $1.5 million.

2. State aid is expected to remain level, with the exception of the $25/ per pupil minimum education aid amount authorized under the Education Reform funding formula, which amounts to $200,000 for Cambridge. (Note: In the past two years the "Minimum Aid" was increased to $75/pupil. However, any increase is uncertain at this time and is not included in our estimates).

3. In July, 1995, the City Manager and City Council approved a supplemental school capital appropriation of $367,000 to initially fund the "Tech 2000" plan and other capital budgets. This revenue was continued in FY'97 and our revenue plan assumes that revenue allocations will continue for the "Tech 2000" Plan in FY'98 and beyond.

4. An estimated FY'97 net decrease of $1.046 million in Chapter 70 School Aid is due to the state tuition assessment for Charter Schools. This amount is estimated to increase to $1.5 million in FY'98 due to the state reimbursement percentage decreasing to 40% in FY'98 (from 50% in FY'97), increased enrollment of Cambridge students at elementary Charter Schools, and an estimated increase in the tuition rate.

In FY'97 the elementary Charter School assessment of $2.1 million ($10,574 per pupil cost times 198 projected enrollment) is offset by a 50% reimbursement from the state. The reimbursement percentage decreases to 40% in FY'98, 30% in FY'99, and to 0% in FY'00. The projected Cambridge enrollment for elementary Charter Schools is estimated to be 276 by FY'00. Enrollment is estimated to increase by approximately 26 students each year beginning in FY'98 until the target enrollment is reached. The tuition per pupil is estimated to increase by 3% each year.

> Note: In addition to the Bannaker Charter School which opened in September, 1996, there is a pending Secondary Charter School which, if implemented, has the potential to further reduce revenues by as much as $1.1 million. Estimated enrollment in the first year is 200 students. At this time, this potential revenue loss is very uncertain and is not calculated in the revenue estimates.

5. Therefore, the net revenue increase estimate for the FY'97-98 operating budget is $1.0 million. When compared to the expenditure increase estimate of $4.6 million, it leaves the projected funding shortfall of $3.6 million. In addition, there is a shortfall of $55,000 projected in the Debt Service/Capital Budget which brings the total FY'97-98 shortfall to $3.7 million.

C. Federal and State Grants:

There is minimal information available at this time on the impact of possible federal budget cuts on grants that we receive. We will prepare our best estimates of the impact of grant cuts as information is developed, and transmit it to the School Committee during the budget deliberation process.

Respectfully submitted,

Mary Lou McGrath

Mary Lou McGrath
Superintendent of Schools

FY'97-98 Budget
Ref. Doc. #3

CAMBRIDGE PUBLIC SCHOOLS

FIVE-YEAR FINANCIAL PROJECTIONS

FY 1998 - FY 2002

December 17, 1996
Office of Management Services

FY1998-2002 Budget - Revenue and Expenditure Summary

FY'97		FY'98	FY'99	FY'00	FY'01	FY'02
	A. General Operating Budget					
$81.6	Projected Revenues	$82.6	$83.8	$84.4	$85.9	$87.5
$81.6	Projected Expenditures	$86.2	$89.9	$93.4	$97.1	$101.0
$0.0	(Shortfall)	($3.6)	($6.1)	($9.0)	($11.2)	($13.5)
	B. Debt Service/Capital Budget					
$5.4	Projected Revenues	$4.6	$5.3	$5.2	$7.4	$7.1
$5.4	Projected Expenditures	$4.7	$5.3	$5.2	$7.4	$7.1
$0.0	(Shortfall)/Surplus	($0.1)	$0.0	$0.0	$0.0	$0.0
	C. Total Budget					
$87.0	Projected Revenues	$87.2	$89.1	$89.6	$93.3	$94.6
$87.0	Projected Expenditures	$90.9	$95.2	$98.6	$104.5	$108.1
$0.0	(Shortfall)/Surplus	($3.7)	($6.1)	($9.0)	($11.2)	($13.5)

Revenue Estimates (in millions)

Revenues-FY'93-97						Projected Revenues FY'98-02				
Actual FY'93	Actual FY'94	Actual FY'95	Actual FY'96(1)	Bdgt. FY'97	Category	Est. FY'98	Est. FY'99	Est. FY'00	Est. FY'01	Est. FY'02
					A. General Operating Budget					
$52.5	$55.2	$56.8	$58.5	$60.3	Property Tax Levy	$61.8	$63.3	$64.9	$66.5	$68.2
21.1	19.6	19.8	15.6	15.6	General State Aid	15.6	15.6	15.6	15.6	15.6
			4.4	5.0	School State Aid	5.2	5.4	5.6	5.6	5.6
				-1.0	School State Aid Loss: Charter School Tuition	-1.5	-2.0	-3.2	-3.3	-3.4
0	0	0.4	0.5	0.5	Medicaid Reimbursements	0.5	0.5	0.5	0.5	0.5
0.9	0.9	0.9	0.9	0.9	Hotel/Motel Tax	0.9	0.9	0.9	0.9	0.9
0.1	0.1	0.1	0.1	0.3	Misc. City Revenue	0.1	0.1	0.1	0.1	0.1
0.1	0.1	0.1	0.1	0.0	Misc. School Revenue	0.0	0.0	0.0	0.0	0.0
74.7	75.9	78.1	80.1	81.6	**Sub-Total**	82.6	83.8	84.4	85.9	87.5
	$1.2	$2.2	$2.0	$1.5	General Operating Budget Dollar Increase	$1.0	$1.2	$0.6	$1.5	$1.6
	1.6%	2.9%	2.6%	1.9%	General Operating Budget Percentage Increase	1.2%	1.5%	0.7%	1.8%	1.9%
					B. Debt Service/Capital Budget					
	1.2	1.3	1.3	1.3	Property Tax Levy	1.4	1.4	1.4	1.5	1.5
	2.6	3.5	2.6	3.0	State School Constr. Reimbursement	2.3	3.5	3.4	5.1	5.1
	0.0	0.0	1.4	0.7	Trans. from Sch. Debt Stabilization Fund	0.5	0.0	0.0	0.4	0.1
-	-	-	-	0.4	School State Aid ("Tech 2000")	0.4	0.4	0.4	0.4	0.4
0	3.8	4.8	5.3	5.4	**Sub-Total**	4.6	5.3	5.2	7.4	7.1
-	-	$1.0	$0.5	$0.1	Debt Service/Capital Budget Dollar Increase	($0.8)	$0.7	($0.1)	$2.2	($0.3)
-	-	26.3%	10.4%	1.9%	Debt Service/Capital Budget Percentage Incr.	-14.8%	15.2%	-1.9%	42.3%	-4.1%
$74.7	$79.7	$82.9	$85.4	$87.0	**TOTAL BUDGET**	$87.2	$89.1	$89.6	$93.3	$94.6
	$5.0	$3.2	$2.5	$1.6	Total Dollar Increase	$0.2	$1.9	$0.5	$3.7	$1.3
	6.7%	4.0%	3.0%	1.9%	Total Percentage Increase	0.2%	2.2%	0.6%	4.1%	1.4%

Cumulative 5-Year Increase - - $7.6 million

(1) Does not include one-time appropriations for teacher contract settlement ($893,000), additional medicaid revenues ($147,000) and "Tech 2000" Capital Equipment ($367,000)

Five Year General Fund Revenue Estimates - FY1997-98 Through FY2001-02

The following is a summary of the revenue estimates for Fiscal Year 1997-98 through Fiscal Year 2001-02. The estimates are based upon updates of prior year projections, information provided by City financial officials consistent with the City's 5-year financial projections, and information from the State Department of Education on revenue estimates. These estimates do not include grant fund revenues.

Revenue Projection Assumptions-FY'97-98 and Beyond:

- **Property Tax Levy:** 2.5% increase each year

- **General State Aid:** General State Aid to the City, a portion of which is allocated to the School Budget, is projected to be level for the 5-year planning period.

- **School State Aid:** We are projecting a $25 per pupil increase in "Minimum Aid" each year through FY2000 ($200,000 estimate). In the past two years the "Minimum Aid" was increased to $75/pupil. However, any increase is uncertain at this time and we have not included the higher amount in our estimates.

- **School State Aid Loss:**
  An estimated FY'97 net decrease of $1.046 million in Chapter 70 School Aid is due to the state tuition assessment for Charter Schools. The total FY'97 assessment of $2.1 million ($10,574 per pupil cost times 198 projected enrollment) is offset by a 50% reimbursement by the state in FY'97. The reimbursement percentage decreases to 40% in FY'98, 30% in FY'99, and to 0% in FY'00. The projected Cambridge enrollment for Charter Schools is estimated to be 276 by FY'00. Enrollment is estimated to increase by approximately 26 students each year beginning in FY'98 until the target enrollment is reached. The tuition per pupil is estimated to increase by 3% each year. (Note: In addition to the Bannaker Charter School which opened in September, 1996, there is a pending Secondary Charter School which, if implemented, has the potential to further reduce revenues by as much as $1.1 million. Estimated enrollment in the first year is 200 students. At this time, this potential revenue loss is very uncertain and is <u>not</u> calculated in the revenue estimates.)

- **Federal Medicaid Reimbursements for Special Education Medical Costs for Medicaid Eligible Students:** We are projecting level reimbursements. However, funding beyond FY'98 is uncertain due to the possible federal restructuring of the Medicaid program.

- **Hotel/Motel Tax:** No increase each year.

- **Miscellaneous City and School Revenue:** At this time, we are assuming the removal of the one-time City revenue of $192,820 received in FY'97 from the City Manager and City Council to maintain the existing House structure at CRLS for a one year transition period. Although there has been some discussion of the transition period being extended, there are currently no financial agreements on this matter. No increase is projected for the remaining miscellaneous City and School revenue amount of $125,000.

- **School State Aid Construction Reimbursement:** The State reimburses the City for School Construction Project costs. Reimbursements reflected in the above amounts include previously approved projects from the 1980's and the recently authorized Agassiz and Haggerty projects. The increase in FY1999 and FY2001 is based on projected start-up of the Morse and Fitzgerald School renovation projects, in accordance with the City Manager's construction phasing plan outlined in a 12/4/96 communication to the School Committee.

- **School State Aid/Capital Budget Tech 2000:** In July, 1995, the City Manager and City Council approved a FY'96 Supplemental Capital Budget appropriation of $367,000 for initial funding of the School "Tech 2000" plan and other capital projects. This revenue was continued in FY'97 and this revenue plan assumes that revenue allocations will continue for the "Tech 2000" Plan in FY'98 and beyond.

- **School Debt Stabilization Fund:** This fund was established to enable the School Department to avoid severe fluctuations in the financial impact of capital construction project revenues from school state aid construction and property tax levy revenues which have been allocated to this Stabilization Fund. In FY'98, it is estimated that a transfer from the School Debt Stabilization Fund of $543,000 will be required.

FY1998 - FY2002 - Expenditure Estimates

The following is a summary of projected expenditures based on the assumptions on the following page. These estimates include the assumption of certain operating cost increases, referred to as "Present Level of Services" increases. These represent an estimate of future costs of maintaining the "Present Level" of educational and support services to students.

Expenditure Estimates (in millions)

Expenditures-FY'93-97						Projected Expenditures-FY'98-02				
Actual FY'93	Actual FY'94	Actual FY'95	Actual FY'96	Bdgt. FY'97	Category	Est. FY'98	Est. FY'99	Est. FY'00	Est. FY'01	Est. FY'02
					A. General Operating Budget					
$56.9	$61.6	$63.2	$64.4	$65.4	Salaries & Fringe Benefits	$69.0	$72.0	$74.8	$77.7	$80.80
13.4	13.4	14.2	15.2	15.5	Supplies & Services	16.5	17.2	17.9	18.7	19.5
0.3	0.6	0.3	0.4	0.4	Travel & Training	0.4	0.4	0.4	0.4	0.4
0.3	0.3	0.4	0.2	0.3	Furniture and Equipment	0.3	0.3	0.3	0.3	0.3
70.9	75.9	78.1	80.2	81.6	**Sub-Total: Operating**	86.2	89.9	93.4	97.1	101.0
	$5.0	$2.2	$2.1	$1.4	General Operating Budget Dollar Increase	$4.6	$3.7	$3.5	$3.7	$3.9
	7.1%	2.9%	2.7%	1.7%	General Operating Budget Percentage Incr.	5.6%	4.3%	3.9%	4.0%	4.0%
					B. Debt Service/Capital Budget					
3.8	3.8	4.8	5.3	5.0	Debt Service*	4.3	4.9	4.8	7.0	6.7
-	-	-	-	0.4	School "Tech 2000" Capital Budget	0.4	0.4	0.4	0.4	0.4
3.8	3.8	4.8	5.3	5.4	**Sub-Total: Debt/Capital Budget**	4.7	5.3	5.2	7.4	7.1
	$0.0	$1.0	$0.5	$0.1	Debt Service/Capital Budget Dollar Increase	($0.7)	$0.6	($0.1)	$2.2	($0.3)
	0.0%	26.3%	10.4%	1.9%	Debt Service/Capital Budget Percentage Incr.	-13.0%	12.8%	-1.9%	42.3%	-4.1%
$74.7	$79.7	$82.9	$85.5	$87.0	**TOTAL BUDGET**	$90.9	$95.2	$98.6	$104.5	$108.1
	$5.0	$3.2	$2.6	$1.5	Total Dollar Increase	$3.9	$4.3	$3.4	$5.9	$3.6
	6.7%	4.0%	3.1%	1.8%	Total Percentage Increase	4.5%	4.7%	3.6%	6.0%	3.4%

Cumulative 5-Year Increase--$21.1 million

* Debt Service Budget includes existing debt (principal & interest payments on long-term bonds for school construction projects) and new debt for the Morse (FY'98) and Fitzgerald (FY'00) Renovation Projects. It should be noted that the dates listed for the bond issues for the Morse and Fitzgerald Projects are not final and are subject to change based on the City's cash flow position.

Projected Increase in Expenditures

	FY97-98	FY98-99	FY99-00	FY00-01	FY01-02
Previous Yr. Bdgt. (Projected):					
Operating Budget	$81,589,220	$86,180,462	$89,876,103	$93,443,018	$97,143,248
Debt Service/Sch. Capt'l Proj. Bdgt.	$5,353,130	$4,642,030	$5,217,158	$5,190,617	$7,324,262
Total Prior Fiscal Year Budget	$86,942,350	$90,822,492	$95,093,261	$98,633,635	$104,467,510
A. Salaries and Fringe Benefits:					
1. Salary Step, Degree, and Longevity Increments	580,110	600,414	618,426	636,979	656,088
2. Estimated Salary Increases for All Employees-(Assumes 4% Incr. in FY98, 3.5% Increase in FY99, 3% FY2000-FY2002)	2,193,500	1,996,084	1,770,811	1,823,935	1,878,654
3. Full Funding for Admin. Positions: Dir. Library/Media, Music, & Phy. Ed./Hlth, Athletics and Coordinator of Mod. Lang. (In Previous Years, Funding Was Included for Such Positions.)	0	0	0	0	0
4. Full Funding of Partially Funded and Unfunded Teacher Positions Including Positions Due to Enrollment and Involuntary Transfers	684,934	0	0	0	0
5. Dental Insurance (Assumes Same Level of % Incr. as Salary Increases in Item 2)	21,339	19,419	17,227	17,743	18,276
6. City Pension (FY1998-2002-3% Increase)	71,665	73,815	76,029	78,310	80,660
7. Health Insurance Increase (FY1998-2002-6% Increase)	408,349	432,850	458,821	486,350	515,531
8. Employer Share-Medicare Witholding (FY1998-2002-20% Incr.)	14,610	68,490	82,187	98,624	118,350
9. Reduction of one-time Funding to Maintain House Structure in FY'97 (from City Manager)	-192,820				
10. MTRB Early Retirement Program Savings/Funding Requirement	-54,000	-29,000	-28,000	-54,000	-54,000
11. Estimated Annual Staffing Decrease of 3 Teacher Positions- FY1998-2002	-155,160	-160,591	-165,408	-170,371	-175,482
Sub-Total Salaries and Fringe Benefits:	3,572,527	3,001,481	2,830,093	2,917,571	3,038,078
B. Supplies and Services:					
12. Special Educ. Day & Resid. Tuitions (FY1998-2001-7.5% Incr., Plus Est. CY Shortfall-$150K)	580,697	470,499	505,787	543,721	584,500
13. Regular and Special Ed. Transportation-(FY'98 - 25% Incr. for Regular Trans. and In-City SPED & 5% for Tuitioned-out SPED; FY1999-2002- 5% Incr. Across the Board)	282,580	107,438	112,809	118,649	124,372
14. Energy and Fuel Oil (FY1998-5% Increase, FY1999-2002-3% Increase)	105,988	66,773	68,776	70,839	72,965
15. Other Contractual Increases	49,450	49,450	49,450	49,450	49,450
Sub-Total Supplies and Services:	1,018,715	694,160	736,822	782,659	831,287
C. Travel and Training:	0	0	0	0	0
D. Furniture and Equipment:	0	0	0	0	0
Total Operating Increases:	4,591,242	3,695,641	3,566,915	3,700,230	3,869,364
	5.6%	4.3%	4.0%	4.0%	4.0%
E. Debt Service/School Capital Projects:					
16. Principal & Interest On Long-Term Bonds	-711,100	196,506	127,561	2,358,165	-252,267
17. Transfer to School Stabilization Fund for Future Capital Expenditures	0	378,622	-154,102	-224,520	0
Total Debt Service/School Capital Proj.:	-711,100	575,128	-26,541	2,133,645	-252,267
	-13.3%	12.4%	0.5%	41.1%	-3.4%
Total Estimated Expenditure Increases:	3,880,142	4,270,769	3,540,374	5,833,875	3,617,097

	FY97-98	FY98-99	FY99-00	FY00-01	FY01-02
Operating Bdgt.	$86,180,462	$89,876,103	$93,443,018	$97,143,248	$101,012,613
Debt Service/Sch. Capt'l Proj. Bdgt.	$4,642,030	$5,217,158	$5,190,617	$7,324,262	$7,071,995
Total FY'97-98 Budget	$90,822,492	$95,093,261	$98,633,635	$104,467,510	$108,084,608
% Change	4.5%	4.7%	3.7%	5.9%	3.5%

Committee Report #2 F-36

A report was received from the Finance Committee for a joint public meeting between the Finance Committee of the City Council and the Finance Committee of the School Committee for the purpose of a preliminary overview of the FY 98 budget.

In City Council March 3, 1997
Report accepted

PLACED ON FILE