

READING PUBLIC SCHOOLS

Superintendent's Budget

Fiscal Year 2012

**Presented to the Reading School Committee
January 2011**

School Budget for the Fiscal Year July 1, 2011 to June 30, 2012

2010 - 2011

READING SCHOOL COMMITTEE

Chris Caruso, Chair	Lisa Gibbs
Charles R. Robinson, Vice Chair	Karen Janowski
David Michaud	Harold Croft

ADMINISTRATION

CENTRAL OFFICE

John F. Doherty, Ed.D.	Superintendent of Schools
Patricia deGaravilla	Assistant Superintendent
Mary C. DeLai	Director of Finance & Operations
Kimberlee Oliveira	Director of Pupil Services
Elizabeth Conway	Human Resources Administrator

SCHOOLS & DEPARTMENTS

Elinor Freedman	Principal, Reading Memorial High School
Craig Martin	Principal, Coolidge Middle School
Doug Lyons	Principal, Parker Middle School
Karen Callan	Principal, Barrows Elementary School
Eric Sprung	Principal, Birch Meadow Elementary School
Karen Feeney	Interim Principal, Joshua Eaton Elementary School
Catherine Giles	Principal, J.W. Killam Elementary School
Richard Davidson	Principal, Wood End Elementary School
Philip Vaccaro	Director of Athletics & Extracurricular Activities
Joseph P. Huggins	Director of Facilities
Lynn Dunn	Director of Nursing
Kristin Morello	Director of Food Services
Jesenia Castro	METCO Director

FY12 Budget Calendar

Financial Forum I	September 15
Town Meeting warrant closes	September 21
School and district improvement plans submitted and presented to School Committee for review and approval	October 4
Budget Preparation information sent to all administrators and MUNIS budget training	Mid-October
Principals present improvement goals and corresponding budgetary needs	October 1-31
Financial Forum II	October 27
Building/department budget requests submitted to Central Office	November 6
Town Meeting	November 8
Superintendent reviews building/department requests and performance goals	November
Finalize FY12 salary projections	Mid - November
Superintendent holds community forums to discuss budget priorities	Mid – Late November
Budget Parent meetings	Mid – Late November
Budget development deliberations undertaken by Administration	Late November
Fee schedules reviewed by School Committee	Early December
Superintendent's Budget finalized	December 24
Budget document distributed	Late December
School Committee questions submitted in preparation for deliberations	January 5
Budget overview presented to School Committee	January 10
Budget (cost center) presentations and deliberations by School Committee	January 13, 20, 24
Financial Forum III	January 26
Open Public Hearing on Budget	January 24
School Committee vote on Superintendent's Budget	January 31
School Committee Budget forwarded to Finance Committee and Town Manager	February 1
School Committee meets with Finance Committee	March
School Budget voted at Annual Town Meeting	Late April – early May

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1.0 District Mission, Vision, and Goals

1.1 Mission Statement

The Reading Public Schools strives to ensure that all students will have common, challenging, meaningful, learning experiences in the academics, health and wellness, the arts, community service, co-curricular activities, and athletics. We will lead and manage our school community to reflect the values and culture of the Reading Community, and guide and support our students to develop the appropriate skills, strategies, creativity, and knowledge necessary to be productive, informed, independent citizens in a global society.

1.2 Vision Statement

It is the vision of the Reading Public Schools to continue fulfilling the promise of our mission and, in so doing, to be a model of educational excellence in preparing students for the 21st century. Thus, as we go on with our journey of continual improvement and look forward to the coming years, this is the school district that we envision for our children and that we shall faithfully endeavor to give to them . . .

Curriculum, Instruction, Technology, and Assessment...

Our district shall have a pre-K through 12 curriculum that is aligned, well-articulated, and based upon the essential standards and skills that our students need to be productive, informed, independent, contributing citizens in a democratic society. This research-based curriculum will be challenging for all students and focus on depth of learning, rather than breadth of coverage. Each grade level will have specific, age-appropriate, 21st century skills integrated into the curriculum, which will include: *creativity and innovation skills, critical thinking and problem solving skills, communication and collaboration skills, information literacy, media literacy, and technological literacy*. In addition, our curriculum will use real-world problems to afford students the opportunity to develop essential life and career skills, such as *flexibility and adaptability, initiative, self-direction, productivity and accountability, cross-cultural skills, social skills, life-long learning, leadership and responsibility, and personal wellness*. Students will have opportunities to engage in activities aimed at fostering a life-long love of reading and literature. **Civics and global awareness will also be interwoven throughout our schools' curriculum, allowing students to develop an understanding of their own roles as members of local, state, national, and global societies.**

Instruction in all classes will be tailored to the diverse needs of students and focus on high levels of student engagement in the learning process. Teachers will use a variety of research-based instructional methods such as flexible grouping, hands-on inquiry-based learning, and differentiated instruction to make each lesson both engaging and challenging. In addition, technology will be thoroughly integrated as a tool for teaching and learning, allowing students to access and assess an ever-expanding volume of knowledge and giving them the opportunities to expand their boundaries of learning beyond the walls of the classroom. In this way, students at every grade level will be acquiring the technology skills necessary for the 21st century, and they will be given opportunities to connect, collaborate, and network with others. For instance, students and teachers will use blogs, podcasts, wikis, video production, and future applications to create assignments that are connected to meaningful, real-world issues. All schools will be completely wireless, and all students (beginning in grade 6) will use personal technology devices, electronic portfolios, and district email addresses. Students will use technology as a tool for critical learning, communication, and collaboration—both inside and outside the classroom. Staff will use technology for instruction, communication, grading, and collaboration; and our school leaders and administrative staff will utilize technology to manage the financial, human resource, and facilities departments.

Data from both formal and informal assessments shall drive the instructional practices in our district. To gauge what students truly know, can do, and understand, a comprehensive system of student assessment will be used to afford students the opportunity to demonstrate what they have learned through such means as formative and summative assessments, online assessments, project-based assignments, and culminating exhibitions. Technology will also be used to track student progress and the district and schools will use standards-based evaluations, such as the New England Association of Schools and Colleges accreditation process and the Blue Ribbon Schools of Excellence Blueprint for Success to ensure continual reflection and improvement toward the highest standards of teaching, learning, and leadership.

Leadership, Personnel, and Learning Environment...

District and school leaders shall be student-centered, collaborative, and steadfastly committed to the mission and vision of the Reading Public Schools. The School Committee, together with district and school leaders, shall provide the necessary resources and support to accomplish our vision. District finances will be sufficient to properly fund school and district improvement efforts consistent with the vision. District and school leaders shall manage the district in a fiscally-responsible manner, keeping the community continually informed of financial needs. In addition, the district will continue to identify and secure alternative sources of funding to augment local financing. With this culture of teamwork to accomplish goals, we will demonstrate our commitment to shared leadership and collaboration with all members of our school community.

The faculty and staff will be diverse and team-oriented, and will work collaboratively to promote the mission, vision, and goals of the Reading Public Schools. All personnel will be highly-skilled, student-centered, motivated, lifelong learners. We shall have a comprehensive human resource management system which emphasizes thoughtful hiring practices and encourages diversity, support for new teachers, meaningful professional development, and an evaluation process which fosters continuous professional growth. As a result, a culture will exist where all school district personnel have the opportunity to feel supported, valued, and report high levels of job satisfaction.

In our district, it shall also be of paramount importance that all members of our learning community feel safe and free from bullying, harassment and discrimination. Diversity shall be embraced and mutual caring, respect, and empathy will be present throughout the community. Each student's educational experience will be personalized by members of the school who will know the student well, who will understand the student's abilities and challenges, and who will assist the student in achieving both personal growth and academic success. Before-school programs, after-school programs, community education, online courses, and summer enrichment academies will provide for our students engaging opportunities to expand their learning. It will be clearly understood and valued by all that learning occurs beyond the walls of the classroom.

The district's school buildings shall always be well maintained, clean, comfortable, and safe environments for learning. In addition, the buildings will be energy efficient. Each individual's commitment to energy and resource conservation will be strikingly evident. Our school buildings will be equipped to provide a 21st century learning environment for our students, and they will also be well-utilized centers of community activities.

Families and Community...

Education will truly be the shared responsibility of both the schools and the community, with families playing active roles in the schools and being full partners in ensuring the success of their children. Respectful communication between the home and school will be welcomed, encouraged, and expected. Together, we shall all share the importance of holding students to

high standards and expectations for both their academic achievement and their social and emotional development.

In the interest of the entire Reading community, the school district and town government shall work cooperatively and collaboratively. To stay current in financial and educational policy issues, the school district will also maintain open lines of communication with both elected officials and educational leaders at the local, state, and national levels. In addition, the school district will maintain active partnerships with businesses, universities, and civic organizations.

As educators and members of our community, we believe that implementing this vision is our ethical responsibility to the children of the Town of Reading. And in so doing, we shall truly be fulfilling the promise of our mission.

1.3 District Goals

This summer, our district's leadership team and teacher leaders met to update our strategic plan and goals for the next several years. The primary objective of this activity was to produce a realistic set of district goals that would inform the district and school improvement process for the next three to five years. Another objective was to ensure that the resulting district and school improvement goals would be specific, measurable, attainable, realistic, and timely (otherwise known as SMART goals). In other words, the success of the actions implemented to accomplish the various goals could be objectively measured using relevant data available to the district and schools.

The team identified three overarching district goals which are listed below.

1. Through collaboration and innovation, we will advance learning for all students by teaching and integrating 21st Century skills within a challenging standards-based curriculum.
2. We will ensure a safe, healthy, and sustainable learning environment where all members are expected to be respectful and socially responsible.
3. We will cultivate productive partnerships with families and community.

All of the goals contained within the school improvement plans (available on the district website at http://www.edline.net/pages/ReadingPublicSchools/School_Committee_Information/School_Improvement_Plans) relate to one of these three district goals. Many of these goals are discussed in the pertinent cost center narratives contained in this document.

Emanating from the three district goals, the Superintendent of Schools has developed five SMART goals which are focused on improving the school district. These goals are as follows:

Goal	District Goal Alignment
1. Increase communication and collaboration with all stakeholders in the Reading Public Schools.	3
2. Decrease the number of bullying, harassment, discrimination incidents in the district.	2
3. Increase the technology proficiency level of teachers and administrators in the school district.	1
4. Increase the revenue generation opportunities in the district.	3
5. Increase student achievement for all students in grades K-12.	1

2.0 District Data and Performance Measures

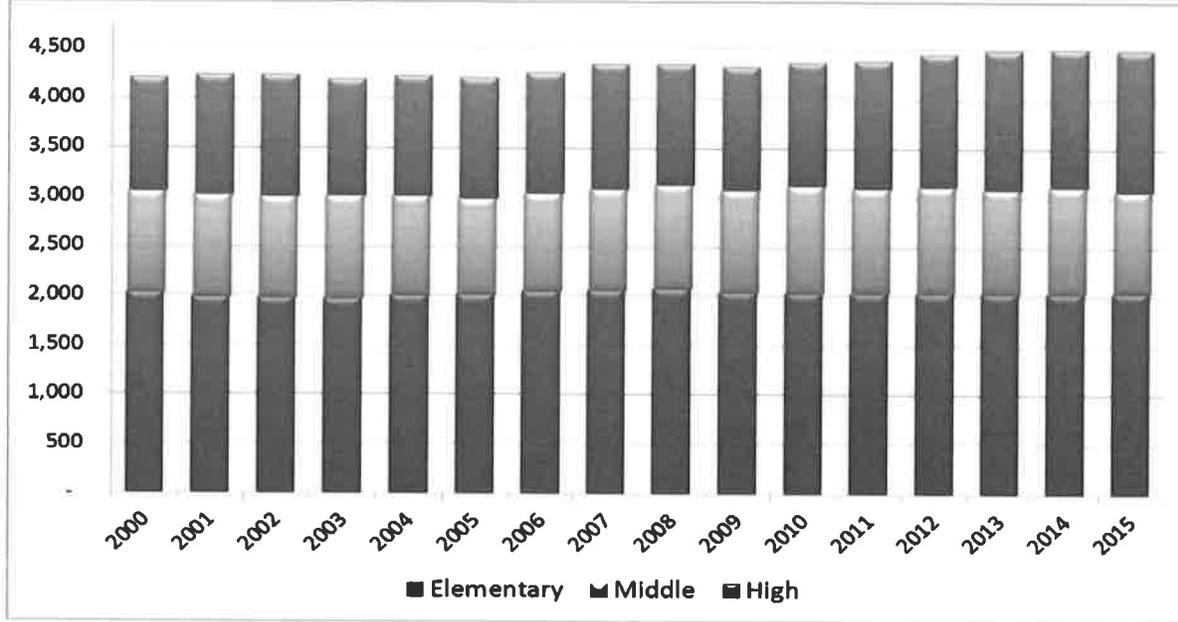
2.1 District Enrollment and Staffing

Total student enrollment for the district has been increasing steadily but modestly over the last five years. Elementary enrollment has remained relatively stable over the last several years and is expected to remain stable with relatively small annual fluctuations in the upcoming years. The largest increases in enrollment have been at the middle school level which has seen increases as high as 4% in the last few years. In fact, the current sixth grade is the largest sixth grade class to enter middle school since 1970. While the middle school population is expected to fluctuate over the next several years, overall, enrollment is expected to decline based on incoming elementary enrollment levels. However, in the next few years, the current middle school student population will be moving into the high school. As a result, high school enrollments are projected to increase by 4% to 4.5% over the next few years. Overall, high school enrollment could be as much as 10% to 15% higher by the year 2015. This is the primary factor driving the projected increase in district enrollment of 3% between 2010 and 2015.

Historical and Projected Enrollment by Grade Level

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Kindergarten	342	308	321	300	337	282	325	324	324	280	348	339	351	342	354	346
Grade 1	304	368	336	362	331	369	316	345	343	345	308	348	339	351	342	354
Grade 2	307	307	354	344	341	328	375	318	358	349	351	308	348	339	351	342
Grade 3	356	306	310	350	345	343	328	388	318	363	349	351	308	348	339	351
Grade 4	359	353	308	312	349	346	353	335	393	318	369	349	351	308	348	339
Grade 5	369	353	357	309	307	351	353	349	342	390	316	369	349	351	308	348
Elementary Total	2,037	1,995	1,986	1,977	2,010	2,019	2,050	2,059	2,078	2,045	2,041	2,064	2,046	2,039	2,042	2,080
Percent Change		-2.1%	-0.5%	-0.5%	1.7%	0.4%	1.5%	0.4%	0.9%	-1.6%	-0.2%	1.1%	-0.9%	-0.3%	0.1%	1.8%
Grade 6	331	368	344	348	315	312	355	348	343	353	387	316	369	349	351	308
Grade 7	339	328	362	336	350	313	320	364	347	341	353	387	316	369	349	351
Grade 8	357	337	320	360	340	344	317	321	362	344	343	353	387	316	369	349
Middle Total	1,027	1,033	1,026	1,044	1,005	969	992	1,033	1,052	1,038	1,083	1,056	1,072	1,034	1,069	1,008
Percent Change		0.6%	-0.7%	1.8%	-3.7%	-3.6%	2.4%	4.1%	1.8%	-1.3%	4.3%	-2.5%	1.5%	-3.5%	3.4%	-5.7%
Grade 9	309	328	303	277	327	315	315	305	292	334	324	343	353	387	316	369
Grade 10	321	305	325	298	272	327	314	319	304	298	327	324	343	353	387	316
Grade 11	272	303	292	328	308	281	331	323	319	298	301	327	324	343	353	387
Grade 12	246	273	302	273	304	299	263	312	307	312	294	301	327	324	343	353
High Total	1,148	1,209	1,222	1,176	1,211	1,222	1,223	1,259	1,222	1,242	1,246	1,295	1,347	1,407	1,399	1,425
Percent Change		5.3%	1.1%	-3.8%	3.0%	0.9%	0.1%	2.9%	-2.9%	1.6%	0.3%	3.9%	4.0%	4.5%	-0.6%	1.9%
District Total	4,212	4,237	4,234	4,197	4,226	4,210	4,265	4,351	4,352	4,325	4,370	4,415	4,465	4,480	4,510	4,513
Percent Change		0.6%	-0.1%	-0.9%	0.7%	-0.4%	1.3%	2.0%	0.0%	-0.6%	1.0%	1.0%	1.1%	0.3%	0.7%	0.0%

Enrollment Trends, 2000 - 2015



While enrollment has increased slightly over the past three school years, staffing in the school district has decreased (see chart below). In the 2008-09 school year, the school department budget funded 535.9 full time equivalent positions. Of these positions, 379.5 were providing direct instructional support to children in the classroom. As of the current school year, the number of employees has dropped to 510.6 full-time equivalents, a reduction of 25.3 FTE employees. The number of positions providing direct support to students in the classroom has decreased to 362.9, a loss of 16.6 instructional positions.

Of course, with enrollment increasing and staffing levels falling, the result has been an increase in class sizes throughout the school district. While elementary class sizes district-wide average 20 – 22, there are several schools where K-2 class sizes are at 23 and there are six classes in grades 3-5 that are at 24 and 25. Of greater concern, however, are class sizes at the middle school. In grade six, our middle schools currently have classes of 28 and 29 at both middle schools. In grades 7 and 8, class sizes average 25 students with a number of classes at 28 and 29. The high school is also feeling the effects of the loss of staffing with a number of class sections with 30 or more students in classrooms. With enrollment projected to increase by at least 1% next year, any decrease in teaching positions would cause an increase in class sizes somewhere within the district.

The Reading Public Schools Administration has taken some proactive steps to minimize class size increases at the elementary school level. New school assignment guidelines were designed in 2010 which gives the Superintendent the flexibility to assign students who are new to the Reading Public Schools to a school outside of their assigned district within two miles from the child's home. In addition, beginning with the 2011-12 kindergarten class, students who enter kindergarten with no siblings in an elementary school, may be reassigned to another elementary school within two miles based on staffing and class size. Because redrawing the elementary district lines is not a practical option, these two additional guidelines in the long run will help to balance class sizes across the district.

Historical and Projected District Staffing Levels

Category	2007-08	2008-09	2009-10	2010-11	2011-12	+ / (-)
District Leadership						
Administrators	3.33	3.33	4.33	4.33	4.33	-
Administrative Support Staff	5.60	5.50	4.50	4.40	4.40	-
Districtwide Academic Leadership						
Pupil Services Administrators	2.50	2.00	3.00	3.00	3.00	-
Administrative Support Staff	4.00	4.00	3.00	3.00	2.00	(1.00)
School Building Leadership						
Principals & Assistant Principals	12.00	12.00	12.00	12.00	12.00	-
Academic Department Heads	2.70	2.70	2.70	2.70	2.70	-
Clerical Support Staff	11.50	11.50	11.50	10.50	10.50	-
Building Technology	1.50	1.70	1.70	1.70	1.70	-
Instruction						
Instructional Specialists						
Teachers & Specialists, Regular Education	251.70	251.70	246.70	244.70	244.70	-
Classroom Teachers, Special Education	10.00	11.60	13.20	13.20	13.20	-
Specialists, Regular Education	7.00	7.50	7.50	7.50	7.50	-
Specialists, Special Education	24.80	25.20	25.20	25.20	27.20	2.00
Medical & Therapeutic Services	13.40	14.00	15.40	15.40	16.70	1.30
Library/ Media Specialists	7.90	7.90	7.90	7.90	7.90	-
ELL Instructors	1.80	1.60	1.60	1.60	1.60	-
Paraeducators, Regular Education	32.20	34.90	26.20	24.50	28.50	4.00
Paraeducators, Special Education	86.00	80.00	73.00	72.30	74.00	1.70
Guidance, Counseling and Testing						
Guidance Department Head	0.40	0.40	0.40	0.40	0.40	-
Guidance Counselors	4.60	4.60	4.60	4.60	4.60	-
Clerical Support	1.00	1.00	1.00	1.00	1.00	-
Psychological Services	10.00	10.60	10.50	10.50	10.50	-
School Health Services						
Nursing Director	1.00	1.00	1.00	1.00	1.00	-
School Nurses	8.00	8.00	8.00	8.00	8.00	-
Clerical Support	0.50	0.50	0.50	0.50	0.25	(0.25)
Athletics						
Director	0.70	0.70	0.70	0.70	0.70	-
Clerical Support	0.50	0.50	0.50	0.50	0.75	0.25
Extracurricular Activities						
Coordinator	0.30	0.30	0.30	0.30	0.30	-
School Building Maintenance						
Directors & Managers	3.00	3.00	2.00	2.00	2.00	-
Maintenance Staff	3.00	3.00	3.00	3.00	3.00	-
Custodians	20.00	20.00	20.00	19.00	19.00	-
Clerical Support	1.00	1.00	1.00	1.00	1.00	-
Networking & Telecommunications	0.67	0.67	0.67	0.67	0.67	-
Technology Maintenance	2.5	3.5	3.5	3.5	3.5	-
District Total	536.10	536.90	518.10	511.60	519.60	8.00

2.2 District Demographic and Student Performance Data

Reading Public Schools prides itself on a long history of educational excellence not just in the core academic subjects but also in the performing arts, athletics, and extracurricular and enrichment activities. Student achievement, as measured by a number of different indicators, is high relative to the state and other comparable districts in the Commonwealth. The data below depicts our student population and achievement trends and shows how our students compare to the state as well as to similar districts in Massachusetts.

Student Population: Reading Compared to State

School Year	% of School-Aged Children Enrolled		% Receiving Special Education Services		% Low Income		% ELL		% Minority		% Kindergarten Students in Full-Day K	
	Reading	State	Reading	State	Reading	State	Reading	State	Reading	State	Reading	State
2005-06	93	90	16.0	16.4	2.5	28.2	2.3	19.6	7.8	27.6	33	61
2006-07	93	91	16.1	16.7	3.0	28.9	2.0	20.5	7.9	28.5	33	66
2007-08	94	90	16.8	16.9	3.6	29.5	2.3	20.9	7.9	29.2	38	70
2008-09	94	91	17.2	17.1	3.9	30.7	2.1	21.3	8.2	30.1	37	75
2009-10	94	91	17.0	17.0	4.6	32.9	2.3	21.8	8.3	30.9	44	78

Reading currently enrolls 94% of its school aged children in its public schools which is above the state average of 91%; only 6% of children in Reading are enrolled in non-public schools. With respect to the number of children receiving special education services, our district percentage is currently exactly equal to the state average. Reading has a much lower percentage of low income, English language learners, and minority students than the state average and our numbers for each of these demographics are among the lowest statewide. Reading enrolls far fewer of its kindergarten students in full day kindergarten than the state average. This is likely due to the fact that Reading's full-day Kindergarten is a fee-based program. It is a long term goal of Reading Public Schools to one day provide free full day Kindergarten as future financial resources permit.

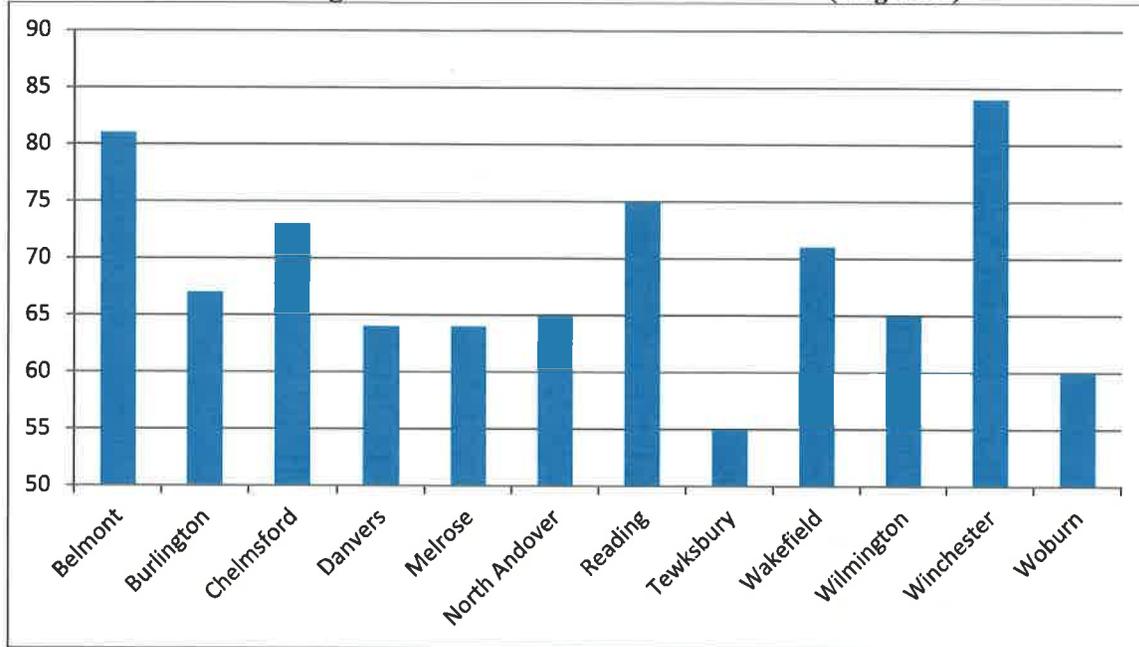
Student Performance: Reading Compared to State

Year	% Proficient or above in Math MCAS (all grades)		% Proficient or above in ELA MCAS (all grades)		% Graduating		Dropout Rate		Attendance (% of students absent fewer than 10 days)		% of Students Enrolled in 1 or more AP courses	
	Reading	State	Reading	State	Reading	State	Reading	State	Reading	State	Reading	State
2005-06	69	47	82	63			0.7	3.8	81	66	10	17
2006-07	74	53	84	66	95.5	79.9	0.4	3.3	80	67	7	18
2007-08	72	55	80	65	89.6	80.9	3.0	3.8	79	67	16	19
2008-09	76	56	81	67	94.2	81.2	0.4	3.4	79	68	17	20
2009-10	75	58	83	68	93.7	81.5	0.9	2.9	78	67	21	23

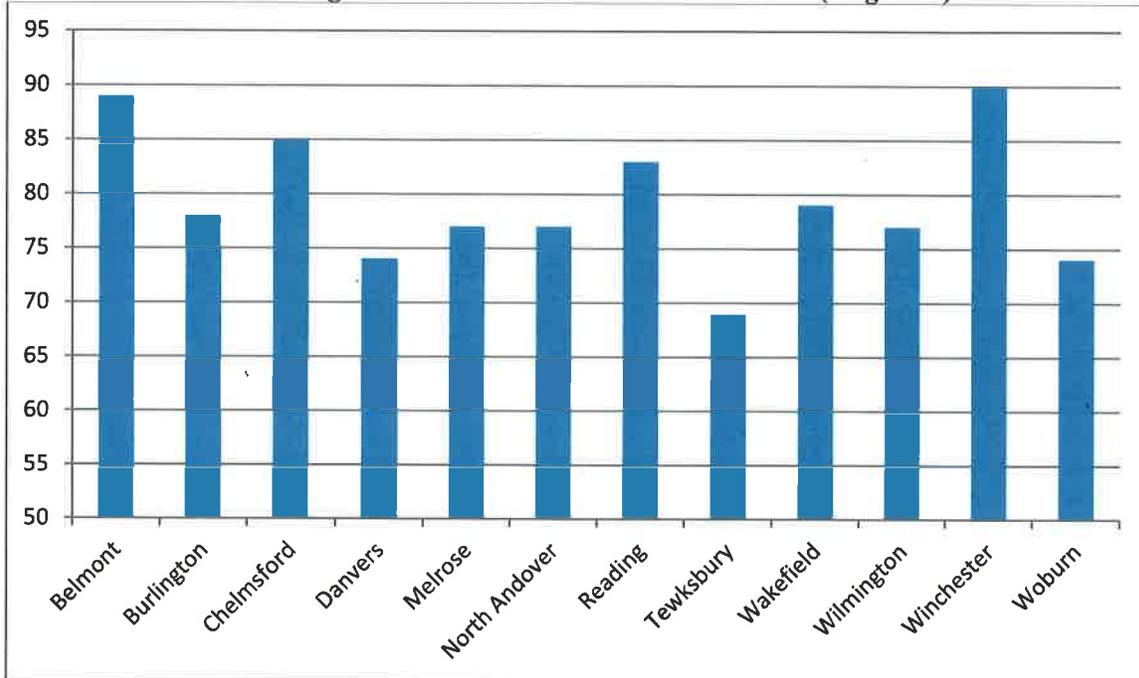
As the data above indicate, performance by Reading students exceeds statewide averages for all of the major indicators of student achievement. The percentage of students scoring proficient or above on MCAS exams is 20-30% higher than the state average, graduation and attendance rates are 15% above the state, and the dropout rate is a third of what it is statewide. While fewer of our students are enrolled in advanced placement courses than the state average, the gap has contracted considerably over the last five years and we are now just two percentage points below the state average. It is our goal over the next 2 to 3 years to increase the number of students who enroll in Advanced Placement courses. Reading students also outperform many of the districts who are comparable to Reading with respect to enrollment, student demographic profiles, and community wealth. As the charts below indicate, Reading

is among the top three or four in most indicators of student success as compared to similar districts in the Commonwealth.

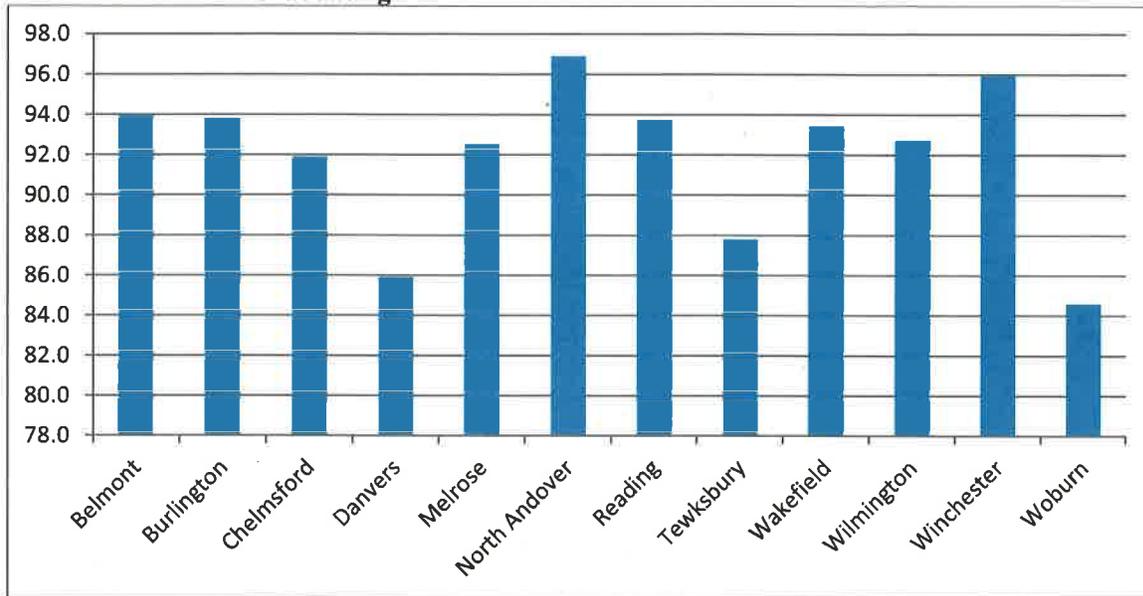
Percent of Students Scoring Proficient or Advanced in Math MCAS (all grades)



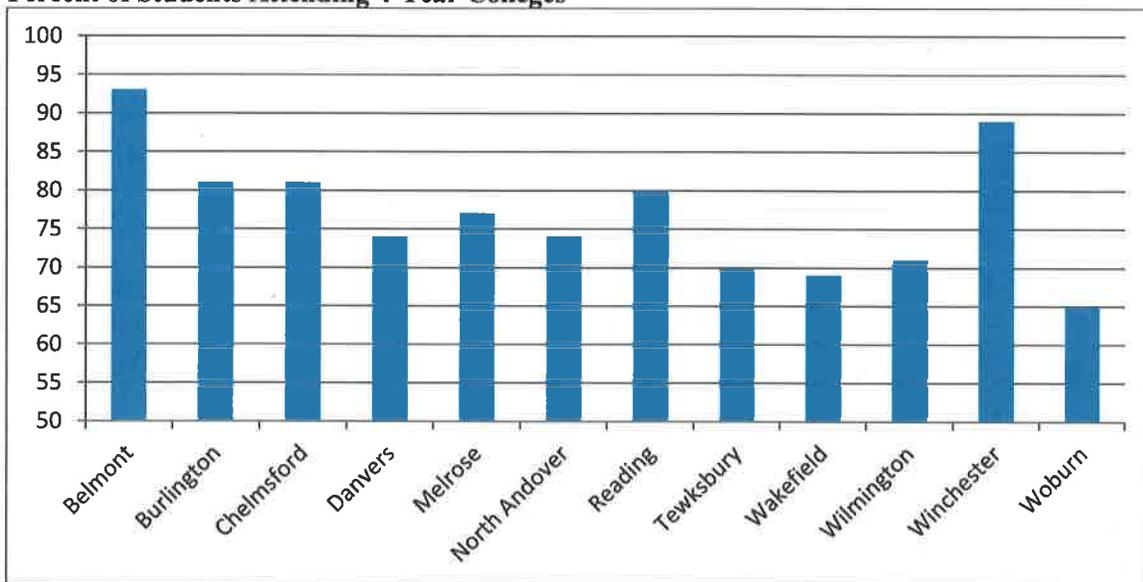
Percent of Students Scoring Proficient or Advanced in ELA MCAS (all grades)



Percent of Students Graduating



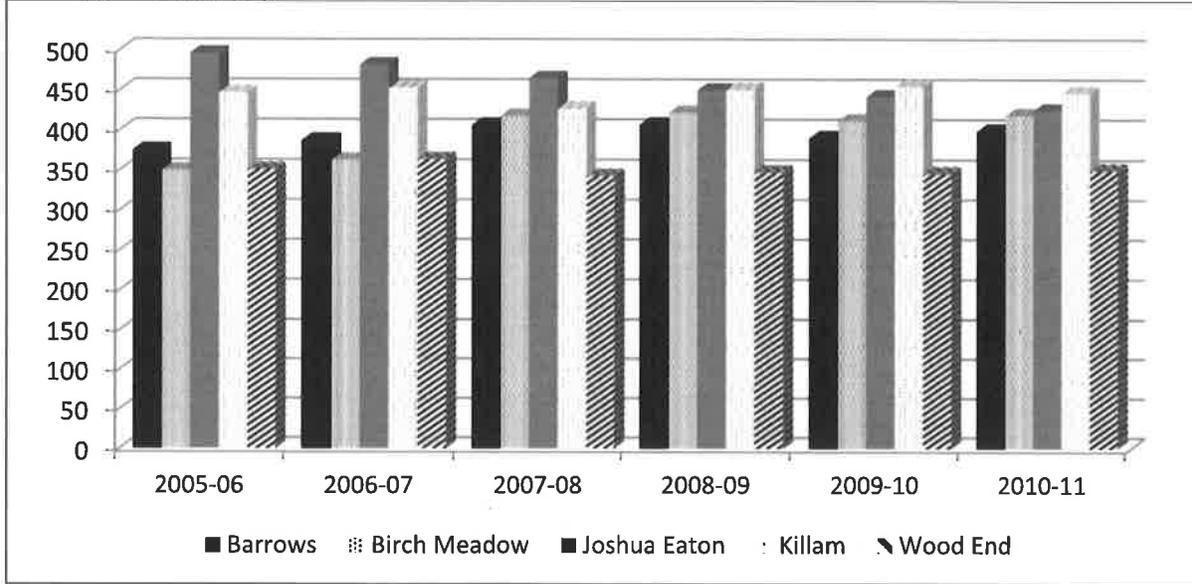
Percent of Students Attending 4-Year Colleges



2.3 School Enrollment and Staffing

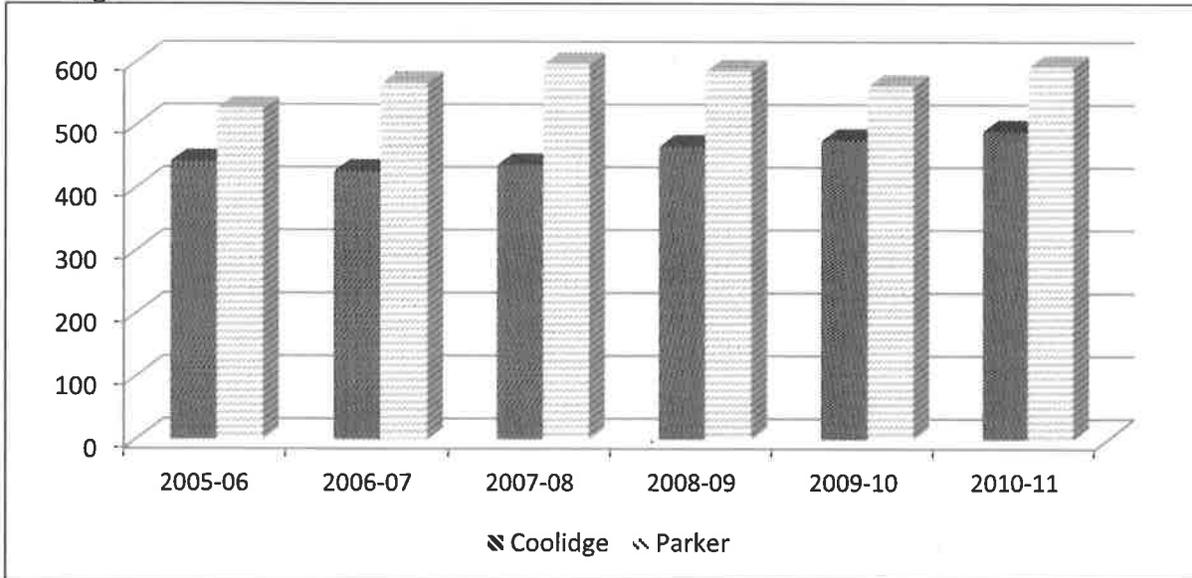
School enrollment patterns have been shifting over the last several years. At the elementary level, the re-districting of five years ago is resulting in more balanced enrollment across the elementary schools. The difference in grade level enrollment across the five elementary schools is generally between 5-10 students with a few exceptions due to isolated pockets of high enrollment at a particular school. With the School Committee's support of spot re-districting for students just entering elementary school, grade level enrollment should continue to be more balanced across the schools.

Reading's Elementary School Enrollment Trends



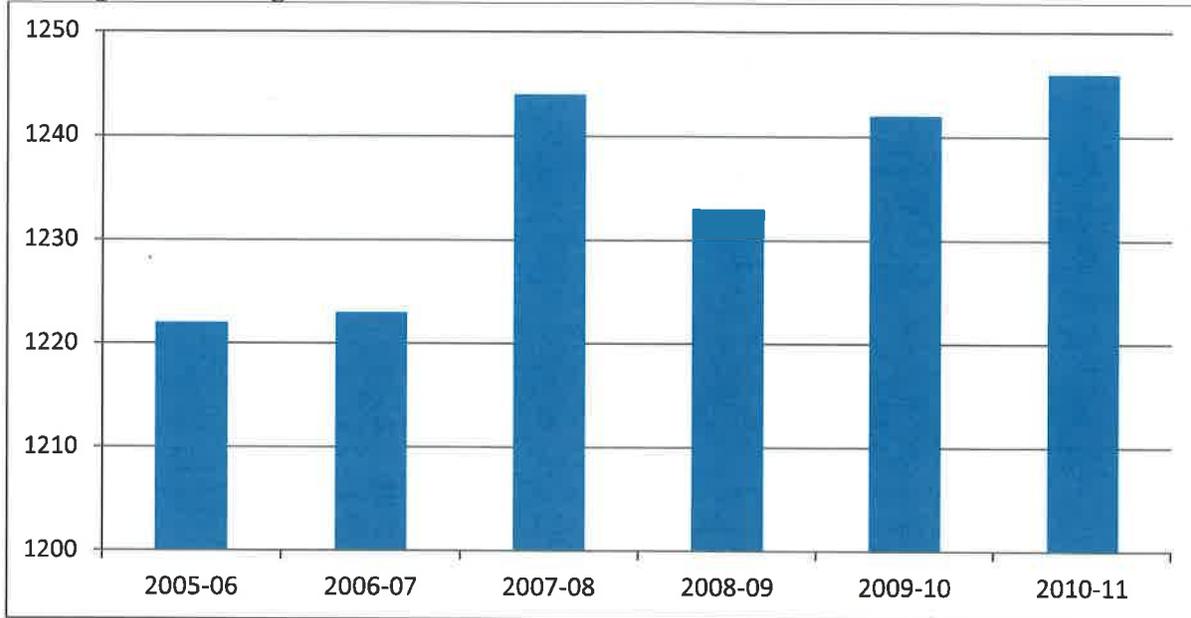
Middle school enrollment has fluctuated over the last several years, but overall, has increased. As with the elementary schools, there is a trend toward a balancing of class sizes between the two middle schools although the Parker enrollment is almost 100 students higher than the Coolidge enrollment.

Reading's Middle School Enrollment Trends



As is the case with the middle school, high school enrollment has also been increasing steadily over the last several years. Given enrollment levels at the middle school, this trend is expected to continue over the next several years. Currently, 94% of all grade 8 Reading students attend Reading Memorial High School.

Reading Memorial High School Enrollment Trend



The table below shows instructional, therapeutic, and support staffing in each of our schools. As the data indicates the ratio of students to instructional and support staff in our buildings ranges from a low of 7.9 to a high of 11.7. Those schools with a lower student to staff ratio are those that have a higher number of special education students and programs in the school. As you can see, in those schools, the number of special education teachers and paraprofessionals is higher as a percentage of total staffing. The average across the district is just under 10 students per instructional and support staff.

Teacher, Specialist and Instructional Support Staffing

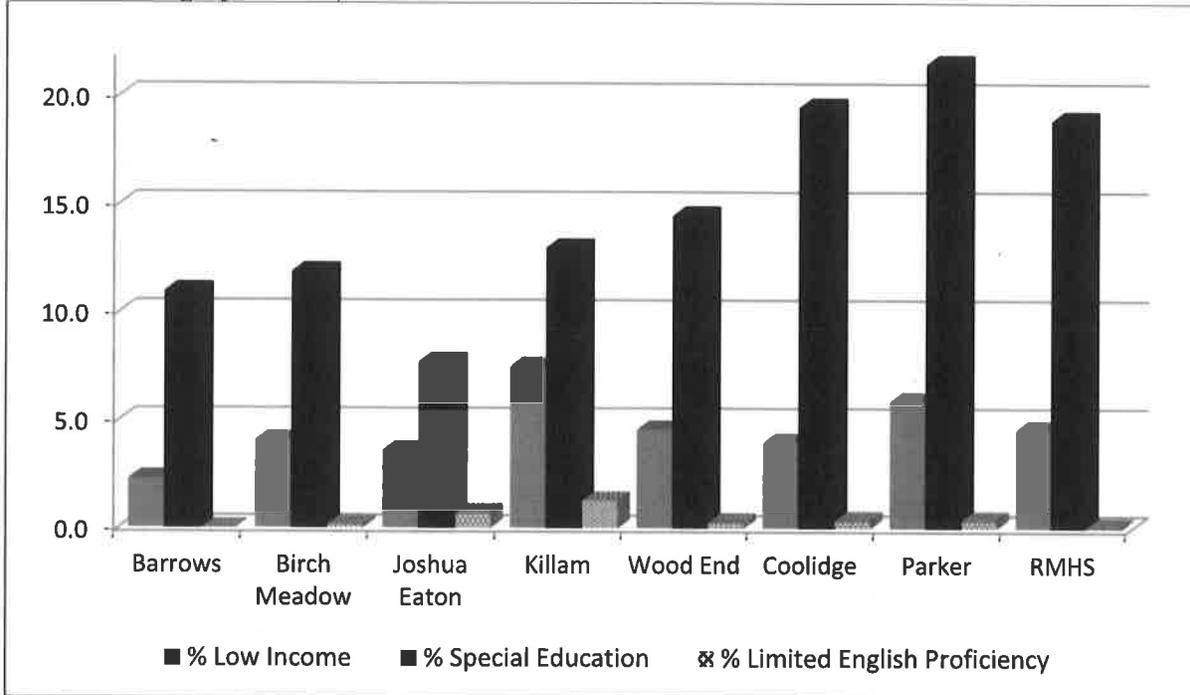
Staffing Category	Barrows	Birch Meadow	Joshua Eaton	Killam	Wood End	Coolidge	Parker	RMHS	RISE
Regular Ed Teachers & Specialists	21	22	24	27	22	31.8	40.5	78	0
Special Ed Teachers & Specialists	5.1	4	2	6	5	10	7.5	10	6
Therapeutic Service Providers	2.1	1.9	1.2	1.7	1.8	0	1	1	3.9
Psychologists & Guidance Counselors	1	1	1	1	1	2	2	6.6	0
Classroom Tutors	1.6	2.6	2.2	1.3	0.9	1	0	0	0
Regular Ed Paraprofessionals	2.4	3	3.1	3.7	3.1	1	1	1	0
Special Ed Paraprofessionals	17.5	6.6	2.9	4	6.8	9	8.1	10.1	6.5
Total Professional & Support Staff	50.7	41.1	36.4	44.7	40.6	54.8	60.1	106.7	16.4
School Enrollment	399	419	425	447	350	490	593	1246	90
Student to Staff Ratio	7.9	10.2	11.7	10.0	8.6	8.9	9.9	11.7	5.5

2.4 School Demographic and Performance Data

The chart below compares the distribution of three categories of student demographic data, namely, the percentage of children designated as low income, limited English proficiency, and receiving special education services. As the data indicates, the percentage of children who have limited English proficiency is very low across all schools, with the Killam Elementary School having the highest percentage, at 1.3%. The data also indicate that the percentage of low income students is less than 5.0% at most of our schools. The exceptions to that are Killam Elementary School and Parker Middle School. Presently, the Killam Elementary School is the only school in the district receiving Title I funding which is specifically designated for schools with higher poverty rates.

While special education percentages are higher at the middle schools and the high school, this is a result of the combined populations that are entering from the earlier grade levels. With respect to the elementary schools, one can see that, currently, the Wood End Elementary School and the Killam Elementary School have the highest percentage of students receiving special education services with Joshua Eaton Elementary School having the lowest percentage.

Student Demographic Data, 2009-10

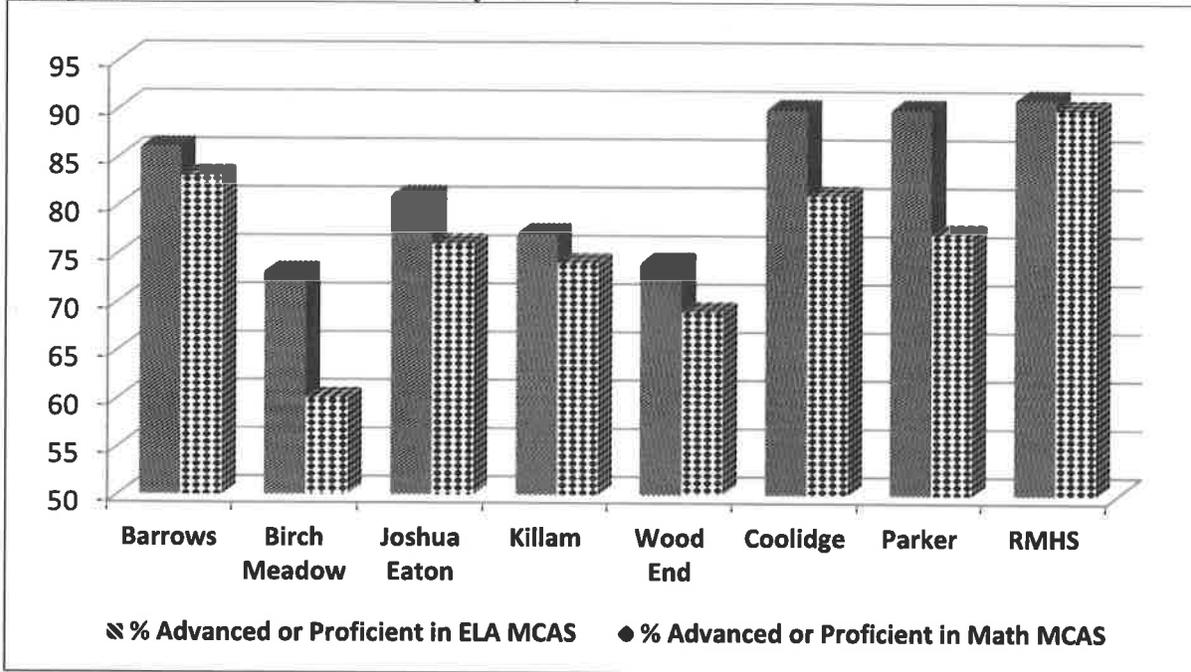


As was discussed above, Reading Public Schools has always compared favorably to the state and comparable districts with respect to performance on the state MCAS assessment. As expected, there is variation among the schools in our district. The high school has consistently maintained very high rates of achievement as measured by MCAS performance. Last year, 90% of all students at the High School scored advanced or proficient on the Math and ELA MCAS. In addition, 90% of students at both middle schools scored advanced or proficient on the ELA MCAS. With respect to the math MCAS, 75% to 80% of students scored at the advanced or proficient level. The elementary school performance data is a bit more varied. On the ELA MCAS, 73% to 86% of students scored advance or proficient. With respect to the Math MCAS, the spread is a bit wider with 60% to 83% scoring advanced or proficient.

Reading Public Schools currently has four schools that **have not made Adequate Yearly Progress** with respect to the state assessment in a specific subgroup category. These four schools include Birch Meadow Elementary School, Killam Elementary School, Parker Middle School, and Reading Memorial High School. The data indicate that additional support to those schools, particularly for special education students, may be required to improve MCAS test scores so that AYP targets may be met.

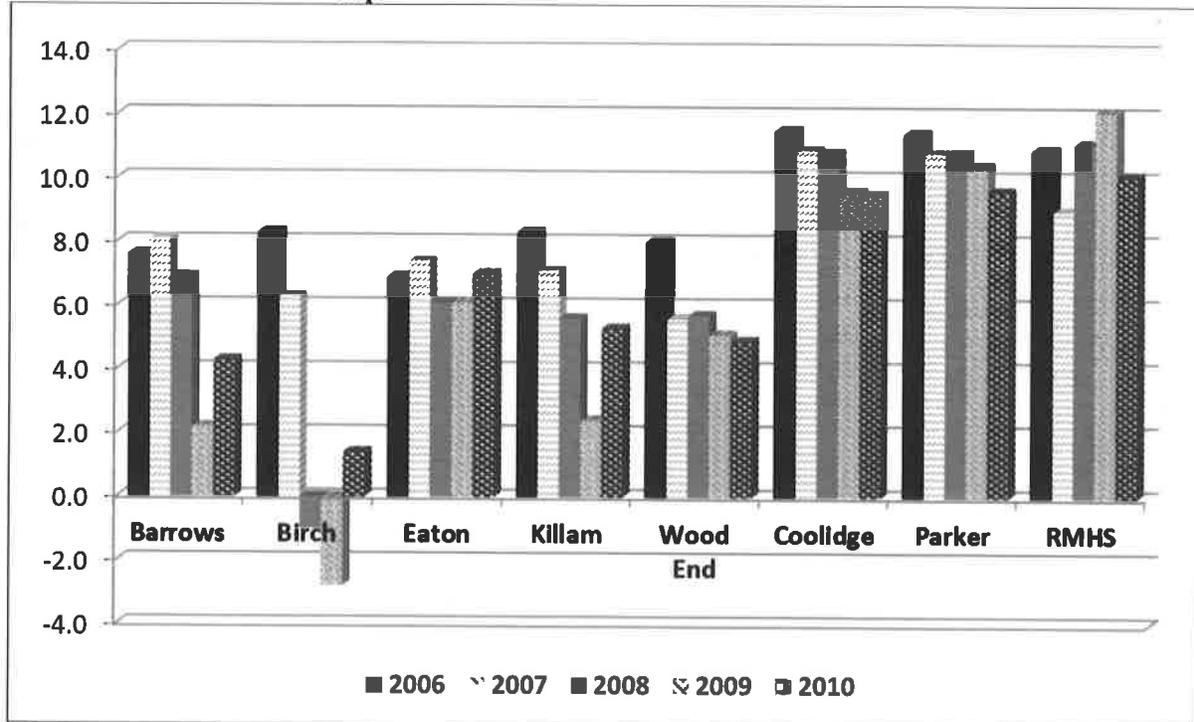
The charts below also present data with respect to what the state calls the achievement gap. This is measured as the difference between the CPI for the state and the individual school. The CPI or the Composite Performance Index, is intended to measure the extent to which students in a group are progressing toward proficiency in both ELA and Math based on MCAS scores. The data indicates that all schools, with one exception, have exceeded the state CPI for each of the past five years. In 2008 and 2009, Birch Meadow fell below the state index but exceeded it again in 2010.

Comparison of Student Achievement by School, 2009-10



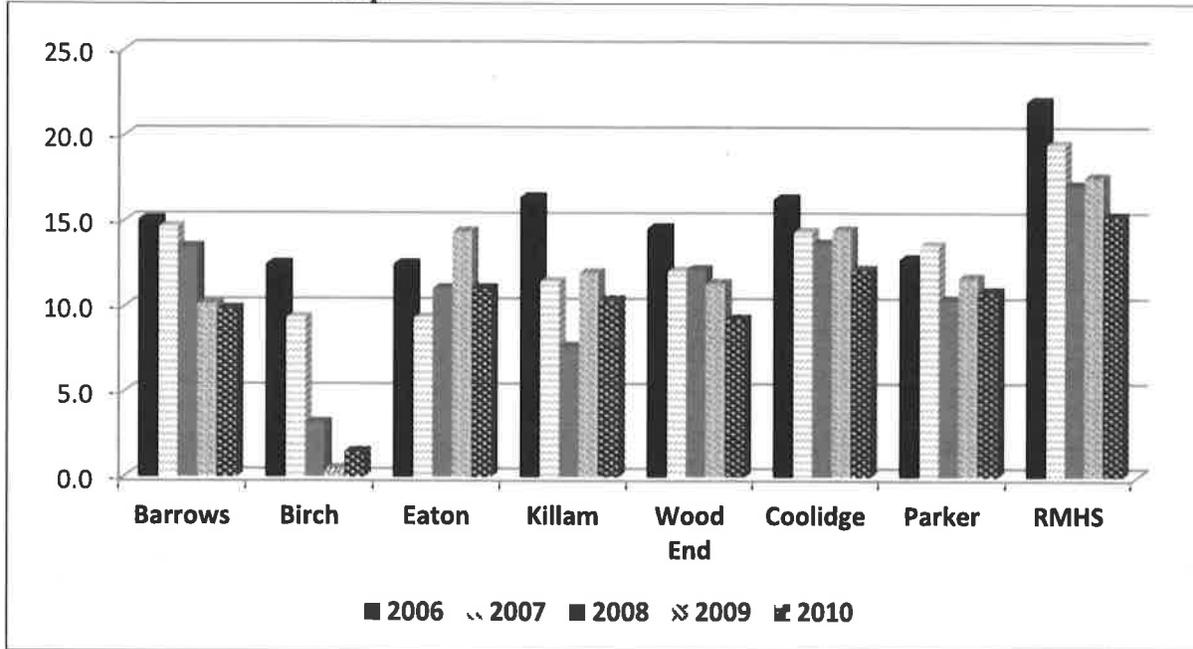
While all of our schools have exceeded the state index, there appears to be a slight trend toward a decline in the gap between the state CPI index and each of our schools for both Math and ELA MCAS performance.

ELA MCAS Achievement Gap



This trend appears more prominent with respect to the Math MCAS than ELA as the chart below indicates.

Math MCAS Achievement Gap



This data as well as more detailed MCAS data and results from other assessments has been extensively analyzed and is used to inform many of the goals that are contained within the school improvement plans. School performance targets and improvement goals are essential to determining the required level of resources for improving our schools as well as how best to allocate the resources across the district.

3.0 Executive Summary

3.1 Superintendent's Message

As we approach fiscal year 2012, all indications show that public education in this country is at a critical crossroads. Cities and towns across the country struggle to find the revenues necessary to maintain core services including public education. While some believe that the deepest recession to have hit this country is nearing an end, federal and state revenues have been slow to recover and, therefore, resources are still significantly constrained. Districts across the country are struggling to find ways to better prepare our children for this ever-flattening global society that defines our world today. As a result of this struggle, it is no surprise that words like ~~innovation~~ and ~~restructuring~~ are now being used to describe what is needed in public education as we progress further into this 21st century.

As discussed below in the ~~Budget Challenges~~ section, the Commonwealth of Massachusetts is expected to face a \$1.5 to \$2.5 billion structural deficit next year. The federal stimulus funding that has been used to prop up falling state revenues is now expended and the proverbial ~~funding cliff~~ that federal officials warned us about in fiscal year 2009 lies ahead. The evaporation of this one-time revenue is expected to result in drastic cuts to the state budget and, while educational funding has been largely spared over the past two years, there are limited areas of the state budget to be cut and most agree that Chapter 70 funds will be reduced by 7% to 10% for fiscal year 2012. For Reading, that translates to a reduction of nearly one million dollars in education funding. With health insurance and other fixed costs rising, less local revenue is available for core services as well.

The challenge for our community and our school district will be to find ways to maintain the high quality services that our residents expect from the Town of Reading and Reading Public Schools. One of the primary responsibilities of the Superintendent is to develop a recommended budget request each year that represents what is necessary to provide a high quality educational experience for our children. In prosperous times, that budget would reflect the resources necessary to accomplish all of the district and school improvement goals aimed at maximizing student success for all students. In difficult times, the challenge is balancing what is necessary for achieving success with what is available.

In the prior sections of this document, we outlined for you where we have been as a district and where we want to go. Student performance has remained strong despite two years of little to no growth in funding for our schools. The school district has lost 28 positions in the last two years and, for the most part, we have been able to keep the impact away from the classroom as much as possible. However, our schools are feeling the strains of reduced staffing and reduced funding for materials, professional development, and technology. Fortunately, federal stimulus funding has helped to reduce that impact but that funding is nearing an end. But the real reason for our continued success in light of limited funding is the commitment of our staff to our students and our mission and the strong support of our parents and community organizations.

Most agree that surviving fiscal year 2012 will be a challenge but many are also optimistic about the future. This Fiscal Year 2012 Superintendent's Recommended Budget was developed in consideration of the challenge but also of the optimism for the future. The ~~Level Service~~ budget helps us to understand what would be required in order to maintain the same level of high quality services we are currently providing to our students. To do so would require \$1.0 million in additional funding from FY11 levels. We are confident that maintaining current services would allow our district to continue to foster the same level of student success we have seen in the past several years. Recognizing the optimism for the future, however, it is crucial that we do not dismantle the core structures that have led to our past successes. History shows that it takes years of re-building once those core structures are eliminated.

Recognizing that funding will be constrained in the next fiscal year, we have also developed a ~~Level Funded~~ budget that shows what cuts would need to be made should we face a third year of little to no funding increase. As discussed below, projecting some of our major expenses for fiscal year 2012 is challenging at this point in the year as many of our contracts, including our five collective bargaining agreements, expire at the close of this year. We have tried to incorporate realistic assumptions to ensure that the funding that is available is able to fund core instructional services. In addition, we will look to shift some of our instructional expenses to the ~~EduJobs~~ funding being mindful that using non-recurring funds for recurring expenses is not sustainable.

While it will be a few months before we know for certain what level of state aid we will receive and what the increases in some of our major costs such as health insurance will be, the town's revenue projections suggest that even level funding of budgets may not be possible in fiscal year 2012. In response to this possibility, we have also developed a list of reductions that would be necessary in the event that budgets would need to be cut by an additional 0.5% below fiscal year 2011 levels. This .5% reduction budget is the budget level that has been advised by the Reading Finance Committee. These cuts are far more costly to our district than those required to get to level funding. If budgets were reduced by 0.5% from fiscal year 2011 levels, for example, we would have to eliminate an additional \$385,485 from our budgets; that is in addition to the \$1 million that would be cut to get from level services to level funding. Those cuts would require significant personnel cuts and would result in less instructional support in our classrooms, higher class sizes across the district, and reductions to athletic programs. While we are hopeful that the revenue and expense pictures will improve and not require such reductions, we are prepared to implement the ~~innovation~~ and ~~restructuring~~ necessary to maintain our academic excellence.

As we developed the level funded and -0.5% reduced budgets, the priorities listed below were used to guide our decisions. As we developed these less than optimal budgets, it was our overarching goal to preserve the integrity, stability, quality, and culture of our school district. This priority list, which is in no particular order, was developed with input from administrators, directors, and feedback received during the Superintendent's transition sessions with the community. These priorities provided the guidance necessary to make decisions which will sustain the core educational services necessary to continue to move our school district forward during these difficult economic times.

FY12 Budget Priority List (*in no particular order*)

- Protect low class sizes (18-22) in grades K-2 where possible
- Preserve the middle school interdisciplinary model
- Continue to support 21st Century learning initiatives throughout the district
- Sustain our PreK-12 technology infrastructure
- Maintain our school facilities while controlling the long term cost of operating those facilities
- Avoid elimination of any regular day programs (e.g. art, music, physical education, foreign language, etc.)

3.2 Budget Process Overview

The budget process begins in the late summer and early fall as administrators and department heads review and update their goals and priorities for their schools. These goals are translated into action plans which outline the resources necessary to accomplish those goals and objectives with the major categories of resources being time, money, and staff.

While the goals and objectives of the schools and the district drive the decisions regarding the allocation of resources, the town and the school department must first work together to project the total amount of

available revenue to support the budget requests. That process begins with a series of Financial Forums where the Finance Committee, the Board of Selectman, and the School Committee meet to review revenue for the upcoming fiscal year as well as the ~~accommodated~~ costs which are those costs that are, in essence, fixed and, by agreement, are shared by all town and school departments. These include expenses such as health insurance, trash removal, and energy and utilities. At the September and October Financial Forums, community brainstorming sessions on revenue generation ideas and expense reduction ideas also occurred.

Once the available revenue has been established, the projected accommodated costs are subtracted and the remaining available revenue is allocated to the school department and town departments based on the historical proportion, approximately 66% to the school department and 34% to the town departments. This projected available funding amount provides a guideline to the departments as they develop their individual budgets.

The school department's budget process begins with the development of the Superintendent's recommended budget. In accordance with Massachusetts law and school committee policy, this budget reflects what is necessary to provide an adequate education to the students of Reading Public Schools given available resources. There is also a minimum district funding requirement established by the state known as the required net school spending.¹ Historically, Reading has always spent above its minimum requirement, although, as shown in the following section, the gap between actual spending and minimum spending is beginning to erode.

The Superintendent's budget is presented to the School Committee in January. At that time, the School Committee discusses the Superintendent's funding recommendations. It is the School Committee's responsibility to put forth the budget it feels is necessary to provide an adequate education to the students of Reading.

Once any requested changes are made to the budget, the School Committee votes on the funding request to the town. That funding request, known as the School Committee Budget, is then submitted to the Town Manager. The Town Manager incorporates the School Department budget into the larger Town Budget, making any changes necessary to ensure the total budget is balanced. This budget is submitted to the Finance Committee which serves as the advisory board to Town Meeting; it is their job to provide guidance on financial matters to Town Meeting members. The budget is presented to Town Meeting at the Annual Town Meeting in April at which time Town Meeting votes on the total amount to be appropriated for the school department.

3.3 FY12 Budget Challenges

While there has been some optimistic news with regard to Massachusetts' economic recovery, the prevailing wisdom is that the economy is still a long way from recovering to the levels of employment and receipts that we saw in 2008 just prior to the great recession of 2009. Unlike fiscal years 2009 and 2010, state revenues do appear to be hitting their targets and, for the first time in the last three years, there has been no mention of 9C cuts at the state level.

Despite this somewhat positive news, economists and budget analysts here in Massachusetts agree that the state likely faces a \$2 billion structural budget gap for fiscal year 2012. At the November joint conference of the Massachusetts Association of School Committees and the Massachusetts Association of School Superintendents, Michael Widmer of the Massachusetts Taxpayers Foundation stated that he

¹ This amount is calculated by first establishing the minimum amount a district should be spending on education, also known as the ~~foundation budget~~. The state then calculates what the district can afford to contribute toward that foundation budget based on the wealth of the community as measured by income and property values.

would anticipate a 10% reduction in local aid for fiscal year 2012. Reading receives a little more than \$11 million in state aid, or nearly 15% of its total revenues.

The majority of the town's revenues, of course, come from the local property tax levy as well as excise taxes. State aid is a major source of revenue as are state and federal grants. Lesser amounts are received through local permits and fees. In Fiscal Year 2012, the town is predicting an increase of \$1.2 million in local revenues but a decrease of \$1.6 million in federal and state revenues for a net projected decrease of \$0.4 million.

The majority of accommodated costs, with the exception of energy and utilities, and special education tuitions are also projected to increase and, unfortunately, at a rate that outpaces the growth in revenue. Health insurance rates are projected to increase 7% with enrollment growth requiring an additional 3% increase in funding.

As a result of this shortfall, the town's Finance Committee is recommending the use of up to \$1.5 million from cash reserves to help stabilize the fiscal year 2012 budget. Even with this infusion of free cash, the remaining non-accommodated budgets appear to require a 0.5% reduction in order to balance. For the school department, that translates to a \$385,485 reduction below the FY2011 budget.

The school department faces a number of budget challenges in the upcoming year. Employee salaries comprise over 77% of the school's budget. All of the school department's collective bargaining agreements are due to expire at the close of the current school year and negotiations for successor agreements have only just begun. In addition to the expiration of collective bargaining agreements, contracts for transportation (regular education, athletics, and extracurricular buses) and substitute teachers are also expiring. Also, photocopier leases will need to be re-negotiated prior to the start of the next school year as well. There will also be curriculum needs as well that will focus on the implementation of the new anti-bullying law and the transition of our curriculum from the current Massachusetts State Frameworks to the new Common Core of Learning.

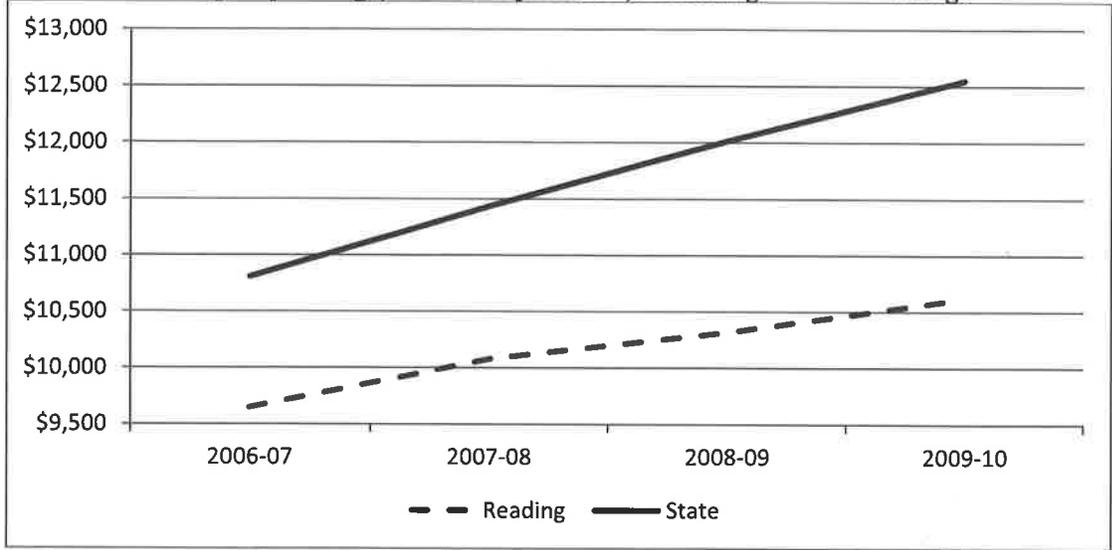
As mentioned earlier, the two bright spots on the FY2012 horizon are special education tuition costs and energy expenditures. Special education tuitions are anticipated to decrease slightly next year as a result of the transition of students out of some of the more costly placements. Decreases of over 10% in energy consumption are anticipated as a result of the extensive investment that the community has made in energy conservation measures throughout all school and town buildings. Furthermore, due to excess natural gas reserves brought about by new gas recovery technologies brought on-line over the last two years, natural gas prices are also on the decline. Our current natural gas contract is due to expire at the end of October 2011 and we are anticipating gas prices will be 20% below what we are currently paying.

Despite the cost savings in these two areas, however, the increase needed to fund a level service budget is projected to be just over \$1.0 million. A level service budget would allow the school department to provide the same level of services to our students as we are providing in the current school year. It would allow us to maintain the staffing that is currently funded through the soon-to-expire federal stimulus grants as well as other federal grants that are projected to be reduced in the next fiscal year or which are not anticipated to increase sufficiently to pay higher salary costs. In total, this translates to 8.5 FTE employees. Also included in the level service budget is the addition of 2.8 special education teaching staff to ensure that current caseloads for existing staff do not increase and that the needs of a rapidly increasing population of students suffering from social and emotional disabilities are adequately addressed.

Fulfilling the needs of the school department given the available resources of the community will be very difficult in fiscal year 2012. Already, over the past several years, the gap between per pupil spending in Reading and the state average spending has been widening as the chart below indicates. That gap has increased from \$1,162 per pupil in FY07 to \$1,936 per pupil in FY10, a gap of \$774 per

pupil or 7.3% of our total per pupil amount. If the school budget were to be level funded or decrease in FY2012, this gap would likely increase even further.

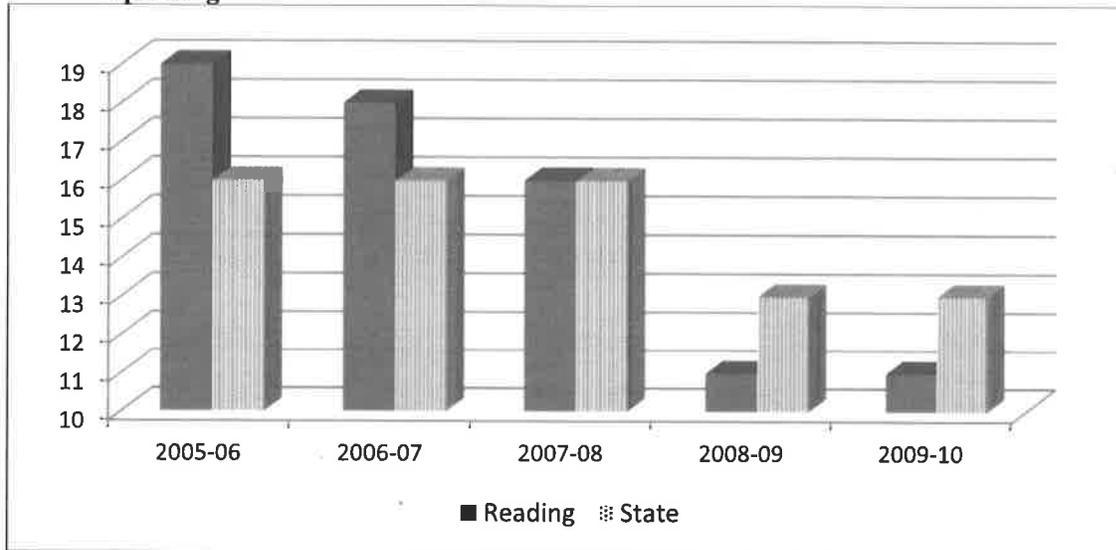
Historical Per Pupil Spending (Less Transportation): Reading vs. State Average



Note: Transportation excluded as Reading spends over \$300 less than the state average in this category.

What is also concerning is the downward trend in the gap between Reading's spending level as compared to the required foundation budget. Reading has historically spent 15-20% above the required foundation amount. However, that gap has been steadily eroding. As the chart below indicates, not only has Reading historically spent above foundation but that gap has been higher when compared to the state average. In fiscal year 2008, Reading's expenditures exceeded foundation by the same percent as the state average, namely 16%. In FY09, however, our position reversed; we spent only 11% above foundation while the average across the state was 13% above foundation. The same was true for fiscal year 2010. While our students are fortunate to be attending schools in a community that funds education above the minimal required by the state, we are mindful of the decline in that historical gap.

Percent Spending above Foundation



Most education finance experts agree that the foundation budget is not even representative of the true cost to adequately educate a child in Massachusetts. It notoriously underfunds total compensation, particularly health care costs, and does not represent the true cost of special education services for communities as it assumes a statewide percentage of the student population receiving services rather than using a community's actual percentage.

The structural budget gap for the School Department for fiscal year 2012, that is, the difference between a level services budget and what the town believes we can afford stands at \$1.36 million despite dramatic decreases in energy consumption and pricing and moderate decreases in special education tuition.

In the pages that follow, we show the major factors that drive the budget, the specific goals, needs, and priorities for our schools and departments, the performance measures that demonstrate the results that are achieved for the dollars invested in our school district, and the challenging cuts that would need to be made to bridge a \$1.36 million budget gap.

3.4 Fiscal Year 2012 Budget Summary

The table below summarizes the Fiscal Year 2012 Superintendent's Recommended Budget showing both a Level Services and a Level Funding request. The level services budget would require an increase of 2.7% over fiscal year 2011 or just over \$1,000,000. The level funding budget requests the same total appropriation as that received for fiscal year 2011 or \$36,390,308. The budget benefits greatly from the reductions in ~~accommodated cost~~, namely special education tuition and transportation and energy. Unfortunately, the reduction in special education tuition and transportation expenses is not sufficient to offset the loss of circuit breaker revenue in FY12 as the projected reimbursement rate for the circuit breaker program is expected to remain at the 40% rate that has been in effect since FY10. However, as all of the energy conservation measures from the performance contracting project will be on line as of January of this year and with a projected decrease in natural gas pricing due to favorable supply conditions, reductions in energy expenses more than offset the loss of circuit breaker revenue and the result is a reduction in accommodated costs of 4.3% or \$230,032.

Fiscal Year 2012 General Fund Summary: Superintendent's Recommended Budget

	Actual Expended FY2008	Actual Expended FY2009	Actual Expended FY2010	Current Budget FY2011	Level Service Budget FY2012	% CHG	Level Funded Budget FY2012	% CHG
Administration	910,074	873,262	808,544	835,401	852,039	2.0%	852,039	2.0%
Regular Day	19,359,113	20,569,375	20,191,553	21,533,355	22,203,384	3.1%	21,714,525	0.8%
Special Education	9,000,826	8,841,740	9,054,129	9,245,257	9,776,628	5.7%	9,404,325	1.7%
Other Programs	1,273,916	1,414,086	1,253,660	1,200,744	1,324,965	10.3%	1,220,308	1.6%
Subtotal	<u>30,543,929</u>	<u>31,698,462</u>	<u>31,307,886</u>	<u>32,814,758</u>	<u>34,157,016</u>	4.1%	<u>33,191,198</u>	1.1%
School Building Maintenance	3,786,113	3,755,985	3,411,374	3,575,550	3,233,560	-9.6%	3,199,110	-10.5%
Total	<u>34,330,042</u>	<u>35,454,448</u>	<u>34,719,259</u>	<u>36,390,308</u>	<u>37,390,576</u>	2.7%	<u>36,390,308</u>	0.0%
Accommodated Costs:								
Special Ed Tuition	5,045,665	4,315,427	4,277,109	3,849,751	3,832,067	-0.5%	3,832,067	-0.5%
Special Ed Transportation	856,043	908,750	861,046	895,000	893,000	-0.2%	893,000	-0.2%
Circuit Breaker	(1,945,193)	(1,859,828)	(1,397,800)	(1,042,000)	(884,000)	-15.2%	(884,000)	-15.2%
Natural Gas	675,954	534,842	487,224	760,000	467,115	-38.5%	467,115	-38.5%
Utilities	724,691	739,805	635,187	837,193	761,730	-9.0%	761,730	-9.0%
Total Accommodated Costs	5,357,160	4,638,995	4,862,765	5,299,944	5,069,912	-4.3%	5,069,912	-4.3%
Total Non-Accommodated Costs	28,972,882	30,815,453	29,856,494	31,090,364	32,320,665	4.0%	31,320,396	0.7%

While accommodated costs decrease in the level services and level funded budget, assumptions for increases in the non-accommodated areas of the budget result in a net increase of 4.0% in non-accommodated costs in the level services budget and 0.7% in the level funded budget. The table below

summarizes the changes that were made to the FY2012 Superintendent's Recommended Level Service Budget to arrive at a Level Funded Budget which is \$1.0 million less than the Level Service budget.

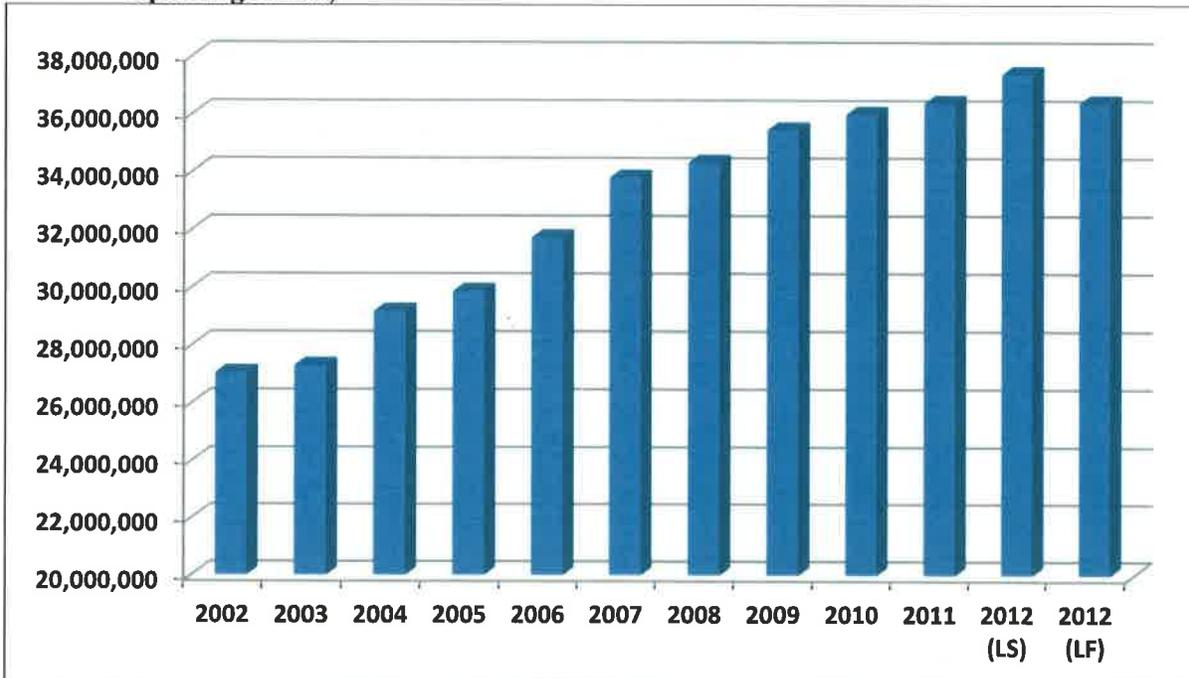
<u>Changes to Level Service Budget</u>	<u>Amount</u>
Increase Offsets	125,000
Reduce School Supply & Material Budgets	100,000
Eliminate 1.5 Support Staff Positions	50,000
Reduce Administrator Salaries	20,000
Eliminate After School Fitness Center program	20,000
Reduce Salary Increases	685,000
	1,000,000

If further reductions were necessary to get from the Level Funded Budget to a -0.5% Budget, additional cuts totaling just over \$385,000 would need to be made. The proposed cuts to get to this reduced level of funding would include:

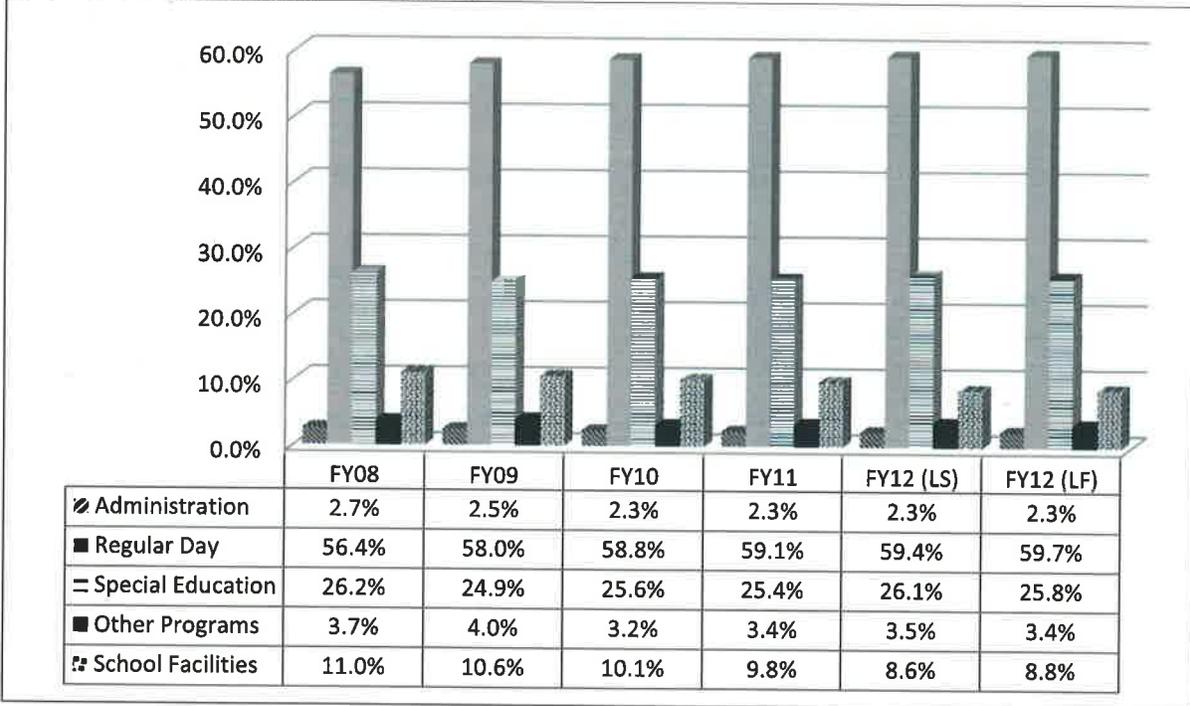
- Eliminate K-8 Instructional Specialist position \$ 50,000
- Reduce athletic expenses and/or increase user fees \$ 40,000
- Eliminate 6.3 FTE support staff positions \$120,000
- Eliminate 3.7 FTE teaching positions \$175,000

These reductions would have a significant impact on our students including elimination of athletics programs (e.g., elimination of freshman sports), reduced instructional support in classrooms, and an increase in class size, most likely in grades 3-5 and course sections in grades 9-12. The 3.7 FTE reductions in teaching positions may increase or decrease based upon kindergarten enrollment, which will become more solidified by early spring. We are currently assuming the same kindergarten staffing levels as FY11.

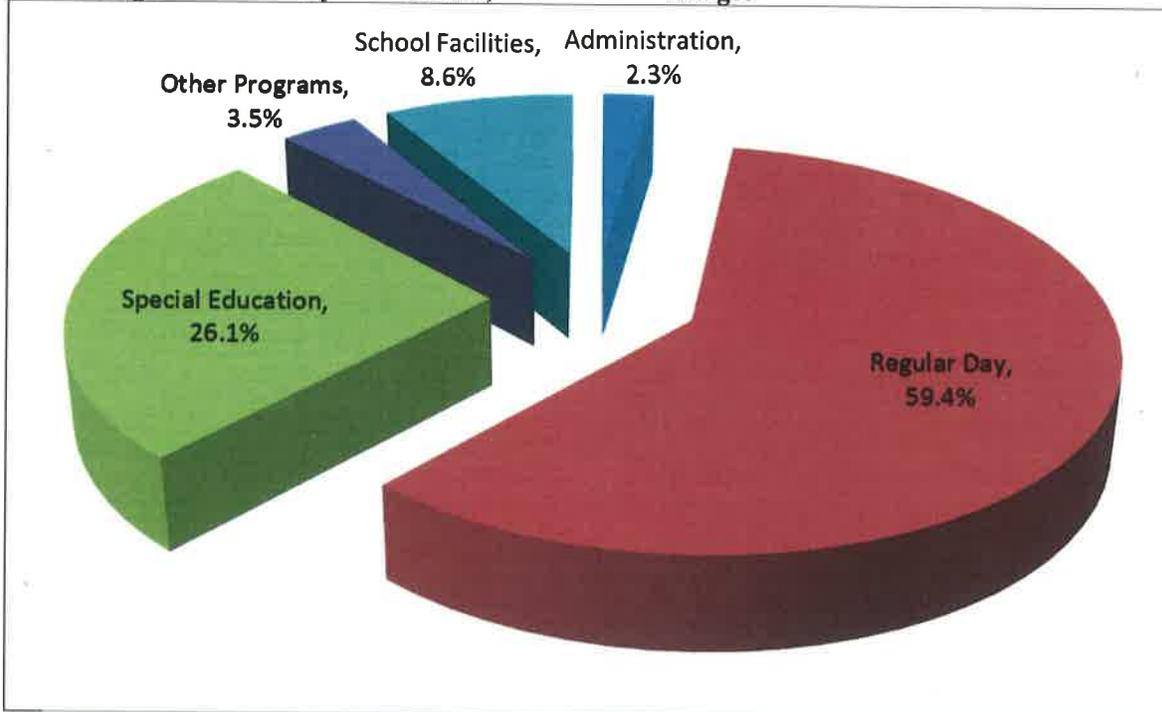
Historical Spending Levels, FY2002 – FY2012



Proportional Spending by Cost Center, FY08 – FY12



FY12 Budget Allocation by Cost Center, Level Service Budget



4.0 Cost Center Budgets

The budget of the Reading Public Schools is divided into five cost centers including: Administration, Regular Day, Special Education, Other Programs, and School Building Maintenance. In addition, there is a sixth cost center, Town Building Maintenance, since the School Department is responsible for the maintenance of both school and town buildings. Per the vote of the Reading School Committee, the budget is established by cost center and transfers between cost centers can only be made per the vote of the School Committee. Approval for transfers within cost centers is delegated to the administration.

Each of the various cost centers is described in more detail in the sections that follow. Each section also includes information on staffing, performance indicators and benchmarks for the programs and activities funded in that cost center, current goals and priorities, funding needs and challenges for the 2012 fiscal year, and detailed budget history and projections for fiscal year 2012.

4.1 Administration

The Administration cost center includes the salaries and expenses of the Central Office administration categorized by the following major functional areas: School Committee, Superintendent, Assistant Superintendent, Business and Finance, Human Resources, and District-wide Data and Information Management.

The Administration cost center currently accounts for 2.3% of the total district budget. The largest expenditure in this cost center is for the salaries of the four district administrators (Superintendent, Assistant Superintendent, Director of Finance & Operations, Human Resources Administrator), a portion of the Network Administrator's salary representing his contribution to district data and information management, and the 4.4 FTE administrative support staff that are critical to the operations of the central office. Other expenses attributed to this cost center include:

- Telephone and wireless service
- Central office equipment leases (photocopiers, postage meter, etc.)
- Legal, auditing, and grant-writing services
- Printing, postage, and mailing expenses
- Employee recruiting expenses (advertising, pre-employment physicals, etc.)
- Dues, memberships, and attendance at professional association workshops
- Miscellaneous office equipment and supplies

As the figures below indicate, the largest expense line after salaries is for utilities. This line includes the cost of all telephone and wireless services for the district (not including equipment repairs which are in the district-wide technology budget). The proposed increase in this line is to fund reimbursement for wireless data plans for building administrators.

The increase in auditing reflects an anticipated pricing increase. Legal expenses are increased to reflect the increased usage over the prior year that is expected to continue as central office administrators that are new to their roles require additional consultation with labor counsel. Advertising and dues and memberships were increased to more appropriately reflect historical usage; last year's actual expense for dues and memberships was low due to having one less central office administrator. Professional development is increased to reflect additional training to central office administration and support staff that are new to their roles or have expanded into new areas and require additional training; this includes Superintendent's Induction program, training in procurement law, payroll administration, and MUNIS reporting.

FY12 District Administration Budget

	<u>Actual Expended FY2008</u>	<u>Actual Expended FY2009</u>	<u>Actual Expended FY2010</u>	<u>Current Budget FY2011</u>	<u>Level Service Budget FY2012</u>	<u>% Change</u>	<u>Level Funded Budget FY2012</u>	<u>% Change</u>
DISTRICT ADMINISTRATION								
Salaries								
Professional Salaries	400,319	422,895	439,876	492,715	492,836	0.0%	492,836	0.0%
Clerical Salaries	230,969	246,448	205,720	186,067	189,736	2.0%	189,736	2.0%
Other Salaries	1,631	1,324	1,400	4,220	5,600	32.7%	5,600	32.7%
Subtotal - Salaries	632,919	670,667	646,996	683,002	688,172	0.8%	688,172	0.8%
Contract Services								
Grant Writing	27,206	10,550	17,150	10,000	10,000	0.0%	10,000	0.0%
Auditing	8,000	8,000	15,000	8,000	8,500	6.3%	8,500	6.3%
Consulting	-	5,092	750	-	-	-	-	-
Legal	16,270	2,494	4,296	5,500	6,000	9.1%	6,000	9.1%
Utilities	75,677	59,007	52,407	55,881	62,079	11.1%	62,079	11.1%
Subtotal - Services	127,153	85,142	89,603	79,381	86,579	9.1%	86,579	9.1%
Supplies & Materials	9,922	28,923	7,290	7,552	7,749	2.6%	7,749	2.6%
Other Expenses								
Equipment	24,224	17,978	16,613	14,905	10,880	-27.0%	10,880	-27.0%
Advertising	17,470	10,226	9,174	7,050	9,080	28.8%	9,080	28.8%
Hiring/Recruiting	27,014	19,745	15,632	20,450	18,445	-9.8%	18,445	-9.8%
Professional Development	46,330	6,207	1,340	1,214	3,405	180.5%	3,405	180.5%
Postage	4,360	14,167	3,686	4,100	3,945	-3.8%	3,945	-3.8%
Awards	497	69	395	-	100	-	100	-
Dues & Memberships	20,185	10,938	9,487	8,747	10,385	18.7%	10,385	18.7%
Printing	-	257	162	-	-	-	-	-
Software Licenses	-	-	-	-	2,500	-	2,500	-
Employee Benefits	-	8,943	8,166	9,000	10,800	20.0%	10,800	20.0%
Subtotal - Other Expenses	140,080	88,531	64,655	65,466	69,540	6.2%	69,540	6.2%
TOTAL ADMINISTRATION	910,074	873,262	808,544	835,401	852,039	2.0%	852,039	2.0%

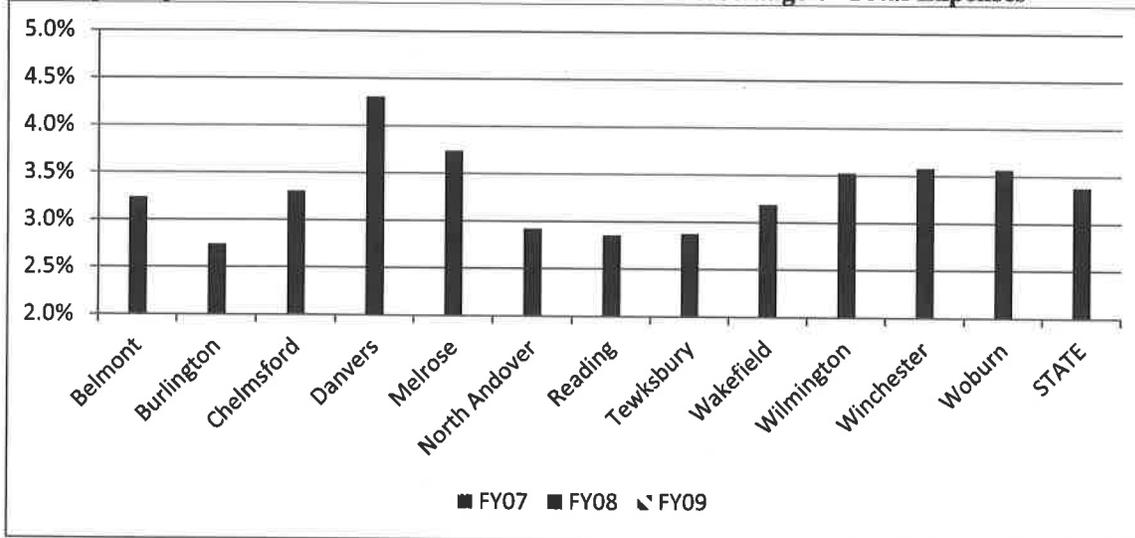
The table below shows historic and project staffing for the District Administration cost center.

District Administration Staffing

Category	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	+ / (-)
District Leadership							
Administrators	3.33	3.33	3.33	4.33	4.33	4.33	-
Administrative Support Staff	5.60	5.60	5.50	4.50	4.40	4.40	-
Total	8.93	8.93	8.83	8.83	8.73	8.73	

The chart below is a comparison of per pupil expenditures on Administration for communities that are similar to Reading as well as to the state average. As the chart indicates, Reading is among the lowest of these communities with respect to expenditures for the District Administration.

Per Pupil Expenditures on District Administration as a Percentage of Total Expenses



Superintendent

As part of the goal setting process, the Superintendent evaluates the school improvement plans and the goals of the schools and departments. The goals of the Superintendent must reflect the district goals but also support the goals of the individual schools and departments within the district. The Superintendent's goals for the upcoming years are listed below.

1. Increase communication and collaboration with all stakeholders in the Reading Public Schools.
2. Decrease the number of bullying, harassment, and discrimination incidents in the district.
3. Increase the technology proficiency level of teachers and administrators in the district.
4. Increase the revenue generation opportunities in the district.
5. Increase student achievement for all students in grades K-12.

The Superintendent's action plan, available at <http://www.edline.net/ResourceList.page>, delineates specific actions to be taken to achieve each of the stated goals as well as the desired measurable outcomes.

Last year, despite the challenging circumstances and the loss of our former Superintendent, many of the goals of the Superintendent were realized. The district now has comprehensive emergency safety plans in place as well as structures necessary to ensure continued training and updates to plans and procedures as needed. Many cost savings initiatives were considered, investigated, and implemented. As of the current school year, the district now offers before school and after school programs in all of our elementary schools which not only provides important services to our families, but also serves as a source of revenue to the district. A successful transition of the district's human resources function to the new Human Resources Administrator also occurred during the last year and continues into this year.

During the current year, through the transition planning process, the Superintendent has gathered a significant amount of data and input that will be used in the coming years to help inform the planning process for the future. A full presentation of the Superintendent's transition plan and the data collected will be given in January.

Assistant Superintendent

The role of the Assistant Superintendent is to provide leadership to district administrators, teacher leaders, and staff in the area of curriculum, instruction, and assessment. This year, the Assistant Superintendent is focused on transitioning into her new role as well as implementing several new initiatives. These new efforts include the implementation of new literacy curriculum to support elementary writing. Another major initiative is the development of the district's Bullying Prevention Plan, staff and parent training, and implementation of curricula to ensure that Reading is in compliance with the new anti-bullying legislation and regulations instituted by the Commonwealth of Massachusetts last year. In the area of curriculum, the Assistant Superintendent will provide leadership in the implementation of the new state curriculum frameworks and Common Core Standards. This will include a complete analysis of the district curriculum Pre-K through Grade 12 and recommendations for new curriculum and professional development to promote full alignment of the standards.

The Assistant Superintendent continues to investigate and pursue any new grant opportunities and to oversee the programmatic aspects of the annual entitlement grants that the district receives each year. These entitlement grants include METCO, Academic Support, Title I, Title IIA, and Safe and Drug Free Schools. In addition, the district is able to make some strategic investments in professional development and technology with the final year of the American Recovery and Reinvestment Act –stimulus funding.

Other areas of focus include data analysis of state and other assessments, the tiered instruction model, and professional development for teachers. The Assistant Superintendent works closely with the Director of the Extended Day Program as well as the METCO Director to promote smooth implementation of both programs. Each summer, the Assistant Superintendent leads the annual weeklong induction program for new teachers. The annual Blue Ribbon National Institute held in Reading in April is coordinated by the Assistant Superintendent as well as the in-services within the district.

Finance & Operations

The Finance and Operations office manages budget, payroll, accounts payable, accounts receivable, purchasing, transportation, facilities, and food services. The preparation of the budget document is one of the most important functions and, over the past several years, the budget document has been enhanced allowing for more transparency and a better understanding of how the school department funds are expended and what impact that funding has on student success and performance. In addition, regular financial reporting on the status of the budget has also served to enhance transparency and accountability. The continued improvement of the budget document and financial reporting remains a goal of this department.

With respect to the core business functions of the finance department, namely payroll, accounts payable, and accounts receivable, we always seek to enhance the efficiency of operations, improve customer service and ease of operation. In a typical year, the business office processes over 4,000 requisitions and purchase orders, over 7,000 invoices, 17,000 cash receipts, and 300 payroll batches. The processing of these transactions is supported by 1.7 FTE administrative assistants, down from 2.0 FTEs in the prior year.

The goal with respect to these business functions is to minimize payroll errors, improve the timeliness of accounts payable and accounts receivable processing, and educate staff on the statutes, policies, and procedures that governs operations. We have increased the amount of training for clerical staff and implemented additional MUNIS features to enhance efficiency and reduce redundancies. We have implemented an on-line payment system to make it easier for parents to pay tuitions and fees. We have developed and distributed comprehensive guidelines for parent booster organizations to ensure that they

are in compliance with the various federal and state laws and regulations that govern the operations of these organizations.

With respect to purchasing, we continue to competitively bid and aggressively negotiate vendor and trades contracts, pursue collaborative purchasing opportunities, utilize state contracts to further reduce the cost of goods and services, and to ensure compliance with state procurement laws. In the upcoming year, our goal is to provide additional training to office staff through the public procurement training programs offered by the Inspector General. In the current year, we will procure a new three year transportation contract and substitute teacher contract and will examine the best alternatives for securing natural gas supply. Also, with the passage of the recent Municipal Relief Act, cities and towns are now able to purchase from national collaboratives and we will be evaluating those opportunities in the upcoming year. Finally, through a joint effort with the Massachusetts Association of School Business Officials, we will also be exploring the use of procurement cards as a means to improve the efficiency of small dollar purchases and provide a revenue source in the form of a rebate to the town.

The Finance office has been tasked last year and this year with meeting all application, monitoring, and reporting requirements associated with the American Recovery and Reinvestment Act grant funds. During the current fiscal year, the district has received a little over \$1.0 million in ARRA funding. These activities will continue next fiscal year as the requirements for the EduJobs funds will be similar to those of the ARRA funding.

In the area of operations, a significant effort has been the oversight of the \$5.5 million energy conservation construction project that commenced in July of 2009. We were successful in obtaining an additional \$150,000 in federal stimulus funding for this project which required extensive monthly and quarterly reporting. This project is currently on budget and is due to be completed by the end of January. This year, we have been invited to participate in the Massachusetts School Building Authority's Green Repair Program for three significant capital improvement projects including window replacements at the Birch Meadow and Killam schools and roof replacement at Killam. The MSBA funding will provide 47% reimbursement for these projects. The procurement of an owners project manager, designer, and general contractor is expected to occur during the current fiscal year with construction to commence this summer and completed by the fall of the upcoming fiscal year.

Human Resources

The Human Resources office is responsible for a number of functions including overseeing the recruitment and hiring of staff; monitoring compliance with all personnel laws, regulations, policies, and procedures; ensuring compliance with collective bargaining terms and conditions; and complying with federal and state reporting requirements. The Human Resources Administrator has been very effective in transitioning into her new role over the past year. During this year, she assisted with the implementation of new Conflict of Interest Law requirements, including training of all staff, volunteers, and vendors; implemented new features of MUNIS to improve efficiencies; provide increased training to clerical staff in the district; and assist with the expansion and implementation of the district's induction program and other professional development offerings.

One of the areas of improvement has been in ensuring that all of our teachers have achieved highly qualified status as defined under the No Child Left Behind Act. Our progress in that area has steadily improved over the last several years. In 2007-08 we had 4 teachers who did not meet the HQT standards; as of the 2009-10 school year, that number dropped to just 2 teachers and this year we have just one teacher who is working toward achieving HQT status.

This year, 47 new staff members were hired including teachers, specialists, paraprofessionals, custodians, food service staff, coaches, and substitutes. Last year, 53 employees left the district. Of

those employees 17% retired, 25% left for personal (non-job related) reasons, 11% relocated out of state, and 19% found positions in education in neighboring districts.

In the current year, the goals of the Human Resources office include:

- Increased outreach through exit interviews and participation in recruiting fairs
- Increasing professional development participation and offerings
- Improving customer service through the use of the district EdLine website
- Improving the staff evaluation process
- Evaluating employee job satisfaction and means to improve employee morale

Data & Information Management

The primary responsibility for this function is to comply with the data management and reporting requirements of the Massachusetts Department of Elementary and Secondary Education (DESE). The DESE requires reporting of student data through its Student Information Management System (SIMS) three times per year. In addition, districts must also report on educational staffing through the Educator Personnel Information System (EPIMS) three times per year as well. The EPIMS reporting had previously been required just once per year but was increased to three times this year. In the upcoming year, additional requirements resulting from Race to The Top initiatives will require enhancements to the reporting which will eventually enable linkages between student performance data and teacher data.

An additional requirement in this area is maintaining the Administrator's Plus database used by schools for scheduling, grading, and tracking of student information, and the maintenance of personnel information in the MUNIS Human Resources module. There are also responsibilities related to maintenance and upkeep of other district databases and systems including Connect-Ed and, more recently, the eSchool on-line payment system.

Other Areas

In addition to the above areas, the administrative assistants provide clerical support in other departments, including METCO, Health Services, Technology, Athletics and the high school. In addition, some functions that used to be completed at the building level are now being done at Central Office. These supports have evolved over the years due to increased program demands, the increase in the amount of user fees throughout the district, the implementation of MUNIS as well as, budget reductions in some of the above areas.

4.2 Regular Day

The regular day budget funds all of the salaries and expenses for providing the core instructional programs to our students. This includes the salaries for building administrators, teachers, specialists (e.g. reading, library media, and technology integration), guidance counselors, school psychologists, paraprofessionals, and building secretaries. It also includes stipends for teacher mentors, curriculum committee chairs, team leaders, and department heads. Other compensation includes longevity and sick leave buyback. These salaries are offset by revenues from kindergarten tuitions and the METCO grant.

Contract services funded from this cost center include the cost of the substitute teacher contract and transportation for our regular education population. We currently contract with Kelly Educational Staffing to provide our teacher substitutes. Teacher substitutes are paid at a rate of either \$65 or \$75 per day depending upon whether or not they hold a Massachusetts Educator license. Seventy percent of the contractual amount funds payment to the substitutes with the remainder paid to Kelly as an administrative fee.

In accordance with Massachusetts law, the school department is required to provide transportation to any regular day student grades K-6 who live more than 2 miles away from the school they attend. In Reading, the number of children who we are mandated to transport has historically been between 40 and 50 per year. An additional 185 to 200 children who either live within the 2-mile radius or are in grades 7-12 are transported as well for a fee. Currently, the fee is \$365 per year. The actual cost to transport a child is \$450 per year so currently the school district is subsidizing non-mandatory transportation at the rate of \$85 per student.

The largest expense portion of the regular day budget is to fund the instructional supplies, materials, and other expenses for the district. This funding is allocated to each building based on enrollment and an established per pupil level of funding. This per pupil amount is \$152 per student at the elementary and middle school levels and \$175 per pupil at the high school level. Each building principal then allocates his or her building amount based on their school's needs, goals, and priorities for the ensuing fiscal year.

Some of the expense lines are allocated at the district level including curriculum materials, which is funding for the purchase of curriculum materials for new or expanded initiatives, such as the new literacy initiative launched this year for grammar, spelling, and leveled reading. The administrative software line funds such things as spam filtering software and anti-virus software as well as Edline, Administrators Plus, Discovery Education, and Survey Monkey. Most of the professional development funding is for offerings provided to the entire district or across grade levels. In addition, \$75,000 of this funding is allocated for tuition reimbursement.

The table below shows the Fiscal Year 2012 Superintendent's Recommended Level Services and Level Funded Budget. As the data show, a level services budget would require an increase of 2.8% to Professional Salaries. The significant increase in Other Salaries, predominantly paraeducator salaries, results from the shifting of 4.0 FTE paraeducators from the ARRA grant to the operating budget in FY12.

The increase in transportation services is due to lower than anticipated offsetting revenues from bus fees in FY11 that is projected to continue in FY12. In addition, we are projecting a 5% increase in transportation rates due in large part to increases in gasoline prices.

Similarly, the increase in substitute teacher services is also driven by an anticipated increase in the contractual rate for FY12 as well as higher than projected usage in the current year that we are building into the projection for next year.

FY2012 Regular Day Budget

REGULAR DAY	Actual Expended FY2008	Actual Expended FY2009	Actual Expended FY2010	Current Budget FY2011	Level Service Budget FY2012	% Change	Level Funded Budget FY2012	% Change
Professional Salaries								
Administrators	1,161,595	1,185,342	1,277,557	1,260,818	1,272,134	0.9%	1,272,134	0.9%
Teachers & Specialists	15,032,704	15,712,221	15,442,798	16,965,640	17,487,135	3.1%	17,229,993	1.6%
Guidance & Psychology	318,914	934,840	950,108	1,009,173	1,014,962	0.6%	999,737	-0.9%
Stipends	256,659	433,921	431,615	432,752	453,294	4.7%	447,659	3.4%
Other Compensation	217,486	120,692	93,349	152,053	122,450	-19.5%	122,450	-19.5%
Revenue Offsets	-	(525,000)	(626,000)	(650,000)	(650,000)	0.0%	(745,000)	14.6%
Subtotal - Professional Salaries	16,987,358	17,862,014	17,569,426	19,170,436	19,699,974	2.8%	19,326,973	0.8%
Clerical Salaries	414,232	405,236	426,533	397,772	405,864	2.0%	399,901	0.5%
Other Salaries	603,450	659,448	596,494	638,629	715,814	12.1%	706,070	10.6%
Contract Services								
Transportation	65,470	74,272	74,864	65,000	78,607	20.9%	78,607	20.9%
Substitute Teachers	205,488	244,271	252,156	236,255	268,752	13.8%	268,752	13.8%
Other Services	20,000	20,000	4,506	-	-	-	-	-
Subtotal - Contract Services	290,958	338,543	331,526	301,255	347,359	15.3%	347,359	15.3%
Supplies & Materials								
Curriculum Materials	-	61,067	51,531	74,000	75,300	1.8%	75,300	1.8%
Textbooks & Consumables	176,417	133,395	152,273	168,014	175,659	4.6%	145,793	-13.2%
Instructional Supplies	241,356	180,765	211,762	216,801	212,535	-2.0%	176,401	-18.6%
Instructional Equipment	44,692	74,393	178,639	45,900	59,605	29.9%	49,469	7.8%
Instructional Technology	42,259	31,401	51,328	41,118	48,091	17.0%	39,985	-2.8%
Library Materials	23,974	26,917	27,064	32,950	37,610	14.1%	31,216	-5.3%
Instructional Software	142,425	12,006	7,887	21,100	16,500	-21.8%	16,245	-23.0%
Testing & Assessment	641	1,549	2,724	2,553	2,700	5.8%	2,241	-12.2%
Other Supplies	54,992	32,052	28,608	36,991	35,752	-3.3%	30,608	-17.3%
Subtotal - Supplies & Materials	726,756	553,545	711,815	639,427	663,752	3.8%	567,258	-11.3%
Other Expenses								
Administrative Software	21,101	77,275	71,873	76,000	76,000	0.0%	76,000	0.0%
Professional Development	211,816	210,823	148,213	140,643	136,400	-3.0%	135,380	-3.7%
Instructional Technology	1,339	361,581	253,218	48,454	46,500	-4.0%	45,565	-6.0%
Instructional Equipment	94,992	90,661	75,463	111,973	103,720	-7.4%	103,380	-7.7%
Other Instructional Services	7,111	10,250	6,991	8,767	8,000	-8.7%	6,640	-24.3%
Subtotal - Other Expenses	336,359	750,590	555,757	385,837	370,620	-3.9%	366,965	-4.9%
TOTAL - REGULAR DAY	19,359,113	20,569,375	20,191,553	21,533,355	22,203,384	3.1%	21,714,525	0.8%

Supplies, materials, and expenses as a whole show a modest increase in the level services budget resulting from a modest increase in enrollment. In the level funded budget, a reduction of \$100,000 is made to this area of the budget. Such a reduced level of funding will be sustainable for a year or two, but not for the longer term.

Regular Education Staffing

Category	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	+ / (-)
School Building Leadership							
Principals & Assistant Principals	12.00	12.00	12.00	12.00	12.00	12.00	-
Academic Department Heads	2.70	2.70	2.70	2.70	2.70	2.70	-
Clerical Support Staff	11.50	11.50	11.50	11.50	10.50	10.50	-
Building Technology	1.50	1.50	1.70	1.70	1.70	1.70	-
Instruction							
Instructional Specialists	1.00	1.00	1.00	1.00	1.00	1.00	-
Teachers & Specialists, Regular Education	250.20	251.70	251.70	246.70	244.70	244.70	-
Specialists, Regular Education	7.00	7.00	7.50	7.50	7.50	7.50	-
Library/ Media Specialists	7.90	7.90	7.90	7.90	7.90	7.90	-
ELL Instructors	1.80	1.80	1.60	1.60	1.60	1.60	-
Paraeducators, Regular Education	31.00	32.20	34.90	26.20	24.50	28.50	4.00
Guidance, Counseling and Testing							
Guidance Department Head	0.40	0.40	0.40	0.40	0.40	0.40	-
Guidance Counselors	4.60	4.60	4.60	4.60	4.60	4.60	-
Clerical Support	1.00	1.00	1.00	1.00	1.00	1.00	-
Psychological Services	10.00	10.00	10.60	10.50	10.50	10.50	-
Total	342.60	345.30	349.10	335.30	330.60	334.60	4.00

The budget reductions of the last two years in the Regular Day Cost Center have resulted in significant strain on our instructional programs. Elimination of teaching positions has resulted in higher class sizes at all levels of the district. There are several K-2 classes that currently have 23 children, which exceeds the school committee recommended guideline of 18-22. In addition, a number of classes in Grades 3-5 are at 25 students. While there is no recommended guideline at this level, these sizes are higher than ideal. At the middle school level, class sizes are also high with current 6th grade classes of 28 across the district and several 7th and 8th grade classes at 28 or 29. There are also course sections of high school classes that are at 30 students or above. In addition, the elimination of paraeducator and clerical support positions in the current year's budget has put an increasing strain on instructional, office and library staff across the district.

The -0.5% budget reflects a reduction of \$345,000 in the regular day cost center. These reductions equate to the elimination of 11.0 FTE positions including the K-6 English Language Arts Instructional Specialist, 6.3 FTE regular education paraeducators, and 3.7 FTE teachers. The loss of the regular education paraeducators and classroom teachers will result in decreased classroom support at the elementary level and higher class sizes at the elementary and high school level, particularly in grades 3-5 and selected high school course sections. The loss of the Instructional Specialist will result in a loss of momentum for an elementary literacy initiative that began last year. The following areas within the ELA curriculum will need to be addressed in the 2011-2012 school year.

1. The new Common Core standards will require professional development for teachers at all levels K-12 for the integration of literacy standards which would have been conducted by and coordinated by the Instructional Specialist. The full impact of the Common Core and curriculum updates is not known at this time as the new MA Curriculum Framework has not yet been released. This professional development will be critical at the middle and high school levels where literacy skills must now be fully integrated into the content areas.
2. The elementary writing program needs to be updated with clear grade level outcomes to align with the new Common Core standards. There is also a need to expand instructional practices to

support writing development at the elementary grades. This will also require professional development that would have been led by the Instructional Specialist.

3. The elementary teachers are continuing to refine student assessments with the use of the *DIBELS Next* and the *Fountas and Pinnell Benchmark* kit for which the Instructional Specialist has led training efforts and ensured consistent implementation across schools through work with the reading specialists.
4. Grammar and spelling instruction was redesigned this year and will require ongoing evaluation and updates to maximize effective and consistent use by all teachers in K-5.
5. Reading instruction for comprehension skills and strategies is in Year 1 of revision with the move away from *Literacy Place* to a more integrated approach through whole class and leveled reading. This involves coordination with the Literacy District Committee, regular meetings with the reading specialists, and ongoing professional development.

Without the leadership of the Instructional Specialist there will need to be alternative plans to address the above initiatives. These options will not provide the same high level of expertise that the district has benefited from under the leadership of the current Instructional Specialist.

This year, the federal stimulus funding has provided valuable tutor support to the elementary classrooms with higher class sizes. This support has been critical in ensuring continued student success in those grades. As a result, the FY12 budget request includes funding for these eight 0.5 FTE positions so that those supports may continue given the projected class sizes for next year.

There are two major areas of curriculum and professional development that will need to be addressed in FY2012. The first will be the full implementation of the district's **Bullying Prevention Plan**. This will require new curriculum as identified through the work of the Anti-Bullying Committee, especially at the middle school level. There may also be additional materials required by all levels to support Internet safety and cyber-bullying prevention. The plan is very specific in the types of training that must be provided for all teachers and staff. At the elementary level, there will be professional development for full use of the Open Circle social awareness curriculum for consistent use in all five elementary schools. Middle school teachers will continue to develop school-based programs as well as implement new curriculum to support bullying and cyber-bullying. Designated teachers will continue to attend training sessions provided by MA Aggression Reduction Center to increase staff bullying prevention and intervention knowledge and expertise.

The Massachusetts DESE has released new state curriculum frameworks for English Language Arts and Mathematics. These frameworks include the Common Core Standards that have been adopted by Massachusetts and 47 other states. By June, 2011, a comprehensive analysis of the new frameworks and **Common Core in relation to Reading's curriculum** will be completed. At that time, recommendations will be made for curriculum purchases needed to support ELA and mathematics instruction to ensure full alignment with the new standards and to close any identified gaps. The new ELA framework (entitled, *English Language Arts and Literacy in Social Studies/History, Science, and Technical Subjects*) will require professional development for all teachers. Literacy standards will need to be taught not only by English teachers, but by all content area teachers. Professional development on the integration of informational reading and expository and technical writing standards will be necessary to assist all teachers in gaining knowledge and expertise in teaching literacy alongside content instruction. District Committees will be required to update all curriculum maps to reflect the new state standards as well integrate technology into each one. Other areas for professional development will include technology, instructional practices that support all learners, data analysis and application of these results to improve student learning.

Curriculum

Elementary

Under the leadership of our English Language Arts Instructional Specialist, several initiatives are occurring in English Language Arts. At the elementary level, all schools have implemented a Tiered Instructional Model to support primary grade students in reading. All teachers collaborate on a regular basis through data analysis meetings to review student progress and make suggestions for instructional strategies and support for individual student learning needs. Other literacy initiatives include –The Daily Fivell reading model which incorporates reading strategies within the guided reading model. This year the district has implemented a grammar program based on the *Evan Moor Grammar Book* for use in all classrooms K-5. Last summer a group of teachers developed lessons for each grade level and incorporated technology through the resources of the SMART Board. Also, grades 4 and 5 have implemented a new spelling program from Educators Publishing Services entitled *Spelling* which is based on the same phonetic principles and spelling rules as the *Foundations* program which is used in grades K-3. Teachers are currently integrating comprehension strategies through new leveled reading materials and teacher resource materials such as *The Comprehension Tool Kit*.

We have fully implemented the *Worldly Wise* vocabulary program in grades 4 and 5 this year after completing the pilot program last year. We are confident that the new grammar, spelling, and vocabulary initiatives will greatly support our students' writing proficiency at the elementary level.

This year a common literacy assessment across grades K-5 was implemented with the adoption of the *Fountas and Pinnell Benchmark Assessment* system. This will allow for cross-grade monitoring of student reading progress. Grades K-2 have adopted the most recent version of *DIBELS Next* which is used to monitor student progress three times per year to evaluate achievement of benchmark standards.

The mathematics and social studies curriculum are now well aligned with the Massachusetts Curriculum frameworks thanks to the efforts of our elementary grade level teacher and leadership.

Open Circle training for new teachers has not been funded for several years through district funding. This has created gaps in the number of teachers trained in each building. The only source of funding for this outstanding character education program is through the PTO. We have tried for the past two years to seek grant funding, but have been unsuccessful. This training need will be a focus for this year and next as we must identify a way to consistently implement this program across all grades and schools as it is part of the elementary Bullying Prevention Plan recommended curriculum.

Understanding Disabilities funding was eliminated from the FY10 and FY11 budgets and will not be funded in the FY12 budget either. The program remains in place this year due to the hard work of the Understanding Disabilities organization which has raised money through donations. The Director of Pupil Services and the Assistant Superintendent are currently working with the Understanding Disabilities Board to identify the most effective manner to fully integrate the program with the Reading Public Schools' inclusion model.

Middle Schools

In science, the need remains to evaluate this curriculum area for critically overdue revisions that have not been made due to lack of funding. There have been no changes in this area since 1996 other than the floating and sinking unit which was implemented in Grade 6 last year.

In middle school mathematics, a group of students at each middle school has participated in the pilot program using the TI Insight calculator. Currently we are looking to expand this for the 2011-2012 school year to 9th grade which will require training for math teachers.

In other curriculum areas, all teachers continue to increase the technology integration as well as 21st century skills. This has been done through ongoing teacher-led workshops during inservice time. Each school continues with data analysis meetings to review student assessments as part of ongoing commitment to meeting the needs of each student.

High School

Several changes have occurred to our high school programs. This year's inservice schedule has been changed to afternoons from the morning model used last year. This has allowed for longer time periods for staff meeting and teacher collaboration. In addition, the freshman advisory program is in its second year and continues to incorporate 21st Century Skills, student led conferences, and helps students transition to high school from middle school. Project based learning continues to be a major initiative and the majority of the professional development time has been focused on the identification, development, and implementation of project based learning opportunities in all classes. This year teachers are working to develop assessment rubrics and meet to review student work as part of this project.

In science, there have been several curriculum changes over the last three years. During the 2007-08 school year, we began implementation of biology for all Grade 9 students and elimination of the Introduction to Physics and Chemistry Course that had been taught at Grade 9 for several years. Subsequently, during the current school year, we began implementation of chemistry for all Grade 10 students and during the current school year we have scheduled additional Physics courses for Grade 11 students. These curriculum changes over the last few years have resulted in strong Grade 9 Science MCAS scores and will allow students to take additional electives in the STEM areas in their senior year, including newly implemented courses such as the History of Epidemic Diseases, Computer Aided Design I, Computer Aided Design II, AP Biology and AP Chemistry.

In mathematics, training has continued with graphing software *Autograph* which supports graphing, geometry, probability and statistics. Next year's training will focus on the TI- Insight calculator as students move from middle school with this experience.

This is the third year of implementation of Virtual High School at Reading Memorial High School. We currently have 27 high school students enrolled in Virtual High School classes and we will continue to fund this program in the FY12 budget.

District

All K-12 health and wellness teachers are currently working on the School Health Index as a way to identify any possible gaps in instruction and curriculum. It is hoped to use this information in any potential grants that would support instruction in nutrition, physical education, or personal decision-making skills. This year there will be training for all teachers to use Edline in order to provide information for students and parents in a consistent manner across grades and schools.

Technology

In the current FY11 budget, technology funding remained level funded. This funding level will remain constant in FY12. The funding in the FY12 will focus on technology maintenance and upgrades of our current hardware, infrastructure, and software. Over the last several years, we have made significant changes in our technology hardware, software, and infrastructure, which have been funded with FY08, FY09, building projects, capital plan, Reading Technology Education Foundation, PTO funds, and Federal Stimulus Funding. Listed below are some of the upgrades and purchases that have been made to our technology infrastructure, hardware, and software.

Hardware and Infrastructure

- SMART Boards in 90% of the Classrooms in the District
- 5 Wireless Computer Carts at the middle school level
- 5 Wireless Computer Carts at the elementary school level
- Wide Area Network
- Replacement of Several Type C computers at Elementary and Middle Schools
- Upgraded switches and servers at each school
- Apple iPod Carts and MP3
- Scanners and Printers
- Copier upgrades to allow network printing to copiers from classrooms
- CAD Computers at High School
- Graphic Arts Lab at High School
- MIDI Lab at Middle and High School
- Language Lab at High School
- Student to Computer Ratio (Type A/B Computers) of 3:1
- At least 60% Wireless Connectivity in every school, with both middle schools completely wireless.
- 3 Senteo Interactive Response Systems
- Laptops and Netbooks for Special Education Programs
- Writers
- Flip Video Cameras
- Document Cameras

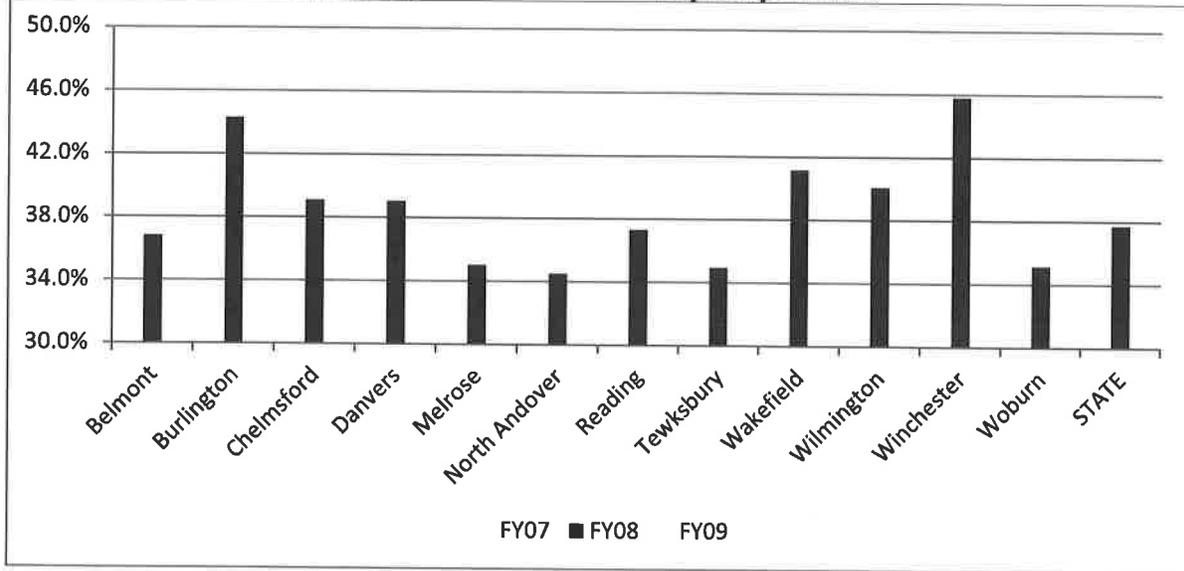
Management and Curriculum Software

- Lexia Reading Program (K-12)
- Destiny Library Automation System (K-12)
- Open Office (K-12: Open Source Software-No cost)
- Connect Ed Community Notification System (PreK-12)
- Edline (PreK-12)
- Administrators Plus and SNAP Student Management (PreK-12)
- Antivirus Protection (PreK-12)
- Internet Filtering (PreK-12)
- MUNIS Financial/HR Management (PreK-12)
- Virtual High School (6-12)
- School Spring Recruiting & Applicant Tracking (PreK-12)
- Test Wiz (3-12)
- Discovery Education United Streaming (PreK-12)
- SYAM Energy Management Software for Computers (PreK-12)
- Scantron Online Testing (6-8 Mathematics)
- Survey Monkey
- School Dude Facility Scheduling, Work Order, and Preventive Maintenance System (PreK-12)
- eSchool On-Line Fee Payment system
- Begun virtualization across the district

We will continue to fund the management and curriculum software out of the FY12 budget. However, the FY12 budget will not include funding for any additional technology hardware and software purchases, and there will be minimal funding allocated for technology maintenance and replacement. During the 2010-11 school year, State Fiscal Stabilization (stimulus) Funds were used to begin virtualization of computer workstations at the high school and Coolidge. This investment will continue when funding is available and will lead to long term savings in energy costs and hardware replacement.

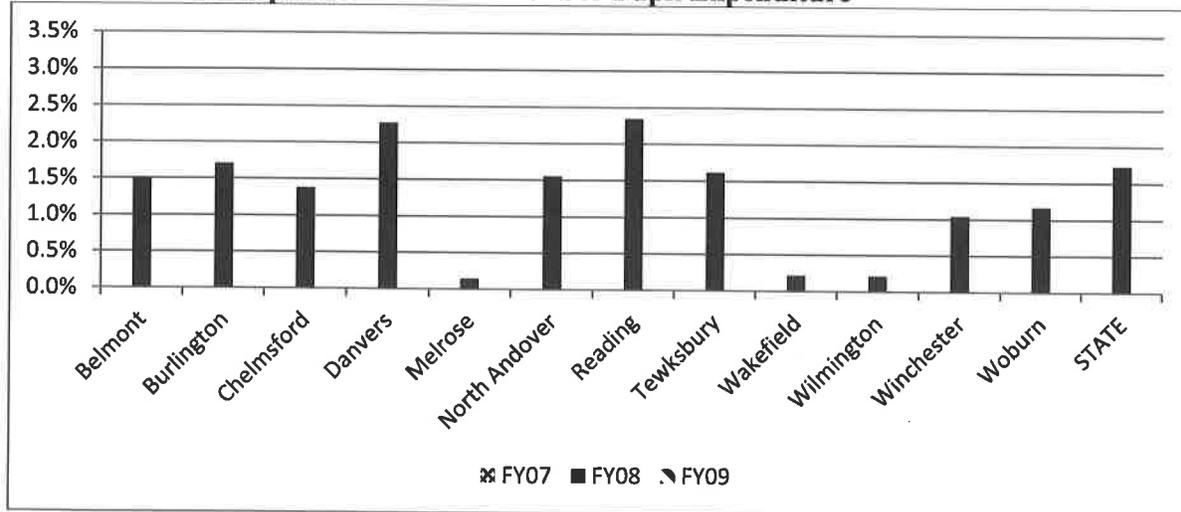
As the chart below indicates, Reading ranks 9th among the comparable communities below with respect to expenditures for classroom teachers and specialists. This is due in part to the fact that we have a much younger staff than many of these communities. However, some is due to the higher salary scales that some of these comparable communities offer.

Classroom Teachers & Specialists as a Percent of Per Pupil Expenditure



One area where Reading has invested significant funding is professional development. As seen below, Reading ranks the highest for professional development expenditures as a percent of total per pupil expenditures.

Professional Development as a Percent of Per Pupil Expenditure



4.3 Special Education

The special education budget funds all of the salaries and expenses necessary to provide special education services to the children in our community. The goal of the pupil services office is to provide high quality programs and services within the district and to identify and place children in out-of-district programs when the programs or services that are offered within the district are not adequate or appropriate to address a child's particular needs. As mandated by the Individuals with Disabilities Education Act (IDEA), we strive to provide programs and services to allow our students with disabilities to be educated in the least restrictive environment that enables them to make effective progress.

The figures below show the enrollment data and trends for special education students in Reading as well as a comparison to other similar communities.

Special Education Enrollment Data and Trends

Academic Year	Total Enrollment	# of Students with Disabilities	% of Students with Disabilities	% of Students w/Disabilities Statewide	# of Students placed out-of-district
2005-06	4282	694	16.0	16.4	73
2006-07	4332	707	16.1	16.7	67
2007-08	4416	753	16.8	16.9	73
2008-09	4428	727	17.2	17.1	63
2009-10	4392	780	17.0	17.0	59

Salaries funded from the special education budget include the Director of Pupil Services, and the Early Childhood Coordinator who also serves as one of the district special education team chairs. There are four additional team chairs for the district whose salaries are funded out of the federal IDEA entitlement grant. In addition, the special education budget funds the salaries of special education program teachers, learning center teachers, speech pathologists, occupational therapists, physical therapists, and other related service providers. Other personnel expenses include staffing for our extended year program, special education paraeducators and 3.0 FTE clerical staff who currently support the department. These salaries are partially offset by revenues from pre-school tuitions and tuitions from special education students from other districts enrolled in Reading Public Schools.

The majority of the special education expense budget funds tuition and transportation to out of district schools. As the table above indicates, the number of students placed out of district has been steadily declining over the past several years with the creation of appropriate in district programs for Reading students. While this has resulted in a steady decrease in tuition and transportation, the decrease has been partially offset by an increase in salary expenses to fund the positions necessary to staff the new in-district programs. One of the more significant challenges to the special education budget has been the steady decline in special education reimbursement grant funding, otherwise known as **-Circuit Breaker**. The circuit breaker grant is intended to reimburse districts for high special education costs defined as those in excess of three times the state average per pupil expense for special education or approximately \$35,000. For every dollar above that threshold, the state has historically reimbursed districts at the rate of 75%. As of fiscal year 2010, that reimbursement rate was reduced to 40%. This revenue decrease has resulted in the need to utilize other non-recurring revenues and reduce spending.

FY12 Special Education Budget Summary

SPECIAL EDUCATION	Actual	Actual	Actual	Current	Level Service	Level Funded		
	Expended FY2008	Expended FY2009	Expended FY2010	Budget FY2011	Budget FY2012	% Change	Budget FY2012	% Change
Professional Salaries								
Administrators	333,401	301,066	314,778	211,495	200,773	-5.1%	200,773	-5.1%
Teachers & Specialists	1,700,152	2,071,413	2,120,203	2,369,375	2,686,078	13.4%	2,435,337	2.8%
Therapists & Other Services	800,396	935,921	1,027,689	1,116,253	1,160,442	4.0%	1,145,263	2.6%
Extended Year	79,976	82,696	75,954	78,840	94,000	19.2%	94,000	19.2%
Other Compensation	11,529	15,484	2,650	2,350	2,650	12.8%	2,650	12.8%
Revenue Offsets	-	-	(75,000)	(325,000)	(325,000)	0.0%	(376,470)	15.8%
Subtotal - Professional Salaries	2,925,454	3,406,580	3,466,274	3,453,313	3,818,943	10.6%	3,501,553	1.4%
Clerical Salaries	96,180	124,132	104,952	104,919	106,490	1.5%	75,464	-28.1%
Other Salaries	1,629,147	1,534,597	1,427,938	1,596,692	1,677,409	5.1%	1,653,522	3.6%
Contract Services								
Legal	29,103	34,309	9,561	45,000	36,000	-20.0%	36,000	-20.0%
Tutoring	22,813	19,723	18,741	31,000	25,000	-19.4%	25,000	-19.4%
Consultations	-	83,195	81,033	60,000	30,000	-50.0%	30,000	-50.0%
Therapeutic Services	97,065	114,924	34,481	55,250	50,300	-9.0%	50,300	-9.0%
Substitutes	1,911	4,634	4,623	22,030	21,400	-2.9%	21,400	-2.9%
Testing & Evaluation	52,409	12,568	9,464	28,000	26,000	-7.1%	26,000	-7.1%
Transportation	816,052	868,643	826,370	850,000	850,000	0.0%	850,000	0.0%
Subtotal - Contract Services	1,019,353	1,137,996	984,272	1,091,280	1,038,700	-4.8%	1,038,700	-4.8%
Supplies & Materials	73,359	41,102	53,510	13,963	30,960	121.7%	30,960	121.7%
Other Expenses								
Office Equipment	10,327	3,075	6,218	7,542	4,300	-43.0%	4,300	-43.0%
Software	-	13,500	12,782	14,400	15,360	6.7%	15,360	6.7%
Postage	2,342	2,360	4,525	2,898	3,400	17.3%	3,400	17.3%
Travel Reimbursement	5,402	5,536	2,254	3,000	3,000	0.0%	3,000	0.0%
Professional Development	15,582	12,411	9,391	21,200	25,500	20.3%	25,500	20.3%
Adaptive Equipment	18,607	16,904	47,516	38,800	20,500	-47.2%	20,500	-47.2%
Adaptive Technology	12,405	10,161	678	5,000	13,000	160.0%	13,000	160.0%
Parent Transportation	39,991	40,107	34,676	45,000	43,000	-4.4%	43,000	-4.4%
Collaborative Services	52,205	37,681	19,835	39,500	28,000	-29.1%	28,000	-29.1%
Tuition, Other Districts	-	27,000	134,042	129,000	390,837	203.0%	390,837	203.0%
Tuition, Private	3,924,065	3,460,300	3,396,654	2,903,499	2,790,452	-3.9%	2,790,452	-3.9%
Tuition, Collaboratives	1,121,600	828,127	746,413	817,252	650,777	-20.4%	650,777	-20.4%
Circuit Breaker Offset	(1,945,193)	(1,859,828)	(1,397,800)	(1,042,000)	(884,000)	-15.2%	(884,000)	-15.2%
Subtotal - Other Expenses	3,257,333	2,597,333	3,017,183	2,985,091	3,104,127	4.0%	3,104,127	4.0%
TOTAL - SPECIAL EDUCATION	9,000,826	8,841,740	9,054,129	9,245,257	9,776,628	5.7%	9,404,325	1.7%

In both FY10 and FY11, the district was fortunate to receive a little over \$580,000 per year in special education stimulus funding. These funds were used to hire staff for new in-district programs, to make strategic investments in professional development, instructional coaching, and adaptive equipment and technology, and to back fill the reduction in Circuit Breaker funding. Unfortunately, this stimulus funding expires at the conclusion of this fiscal year.

In order to maintain the new in-district programs, two teaching positions and one paraeducator position had to be shifted to the operating budget for FY12. In addition, in the Level Services budget, we have added 2.8 FTE staff to the special education department which includes a full-time district-wide social-emotional-behavioral specialist to assist with the growing needs of the district special education

population as well as a 1.0 FTE special education teacher at the High School and a 0.8 FTE special education teacher at the Parker Middle School in order to maintain current caseloads for teachers. In the Level Funded budget, the 1.8 special education teaching positions are shifted to the EduJobs grant which means they are likely to be cut in FY13 absent additional funding, such as an increase in circuit breaker reimbursement back to historical rates, or expense reductions.

The increase in special education paraeducator salaries reflects both the shifting of a position from the federal stimulus grant to the operating budget as well as positions that were added in the current year and, therefore, are not reflected in the FY11 Budget figures. The 28% reduction in clerical salaries in the Level Funded budget results from the proposed elimination of a departmental secretary position.

The requested funding for supplies and materials, while appearing to increase dramatically from FY11 budget levels, is more reflective of actual spending. In addition, the special education was able to purchase and conserve supplies in FY10 which could then be used in FY11 allowing for the one-year reduction in funding in the current fiscal year.

The requested increase in professional development is to allow for the continued implementation and expansion of co-teaching throughout the district. While Reading has been successful in creating excellent in district programs for children with special needs, our goal is to provide even more opportunities for the inclusion of these children in the regular education setting. This goal is consistent with both the spirit and the directive of the Individuals with Disabilities Education Act and its mandate to educate children in the least restrictive environment and will require that regular education and special education teachers work together to provide more instruction to all students in the regular day classroom.

As mentioned above, the largest non-salary expense for the special education budget is out-of-district tuition and transportation. For fiscal year 2012, the projection for tuition expenses is actually \$17,000 below FY11 levels. The reduction results from the anticipated graduation or return of some students currently placed at more costly out-of-district schools to our in-district programs or to the less costly public collaboratives of which we are a member. However, with the circuit breaker reimbursement expected to remain at 40% and the loss of federal stimulus funding, there is a \$158,000 shortfall in the circuit breaker revenue offset as compared to FY11. As a result, these expenses increase by almost 4% in both the Level Services and the Level Funded budget.

Special Education Staffing

Category	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	+ / (-)
Districtwide Academic Leadership							
Pupil Services Administrators	2.50	2.50	2.00	3.00	3.00	3.00	-
Administrative Support Staff	3.00	4.00	4.00	3.00	3.00	2.00	(1.00)
Instruction							
Classroom Teachers, Special Education	10.00	10.00	11.60	13.20	13.20	13.20	-
Specialists, Special Education	22.40	24.80	25.20	25.20	25.20	27.20	2.00
Medical & Therapeutic Services	13.00	13.40	14.00	15.40	15.40	16.70	1.30
Paraeducators, Special Education	78.90	86.00	80.00	73.00	72.30	74.00	1.70
Total	129.80	140.70	136.80	132.80	132.10	136.10	4.00

4.4 Other Programs

This cost center consists of the following functional areas:

- Health Services
- Athletics
- Extracurricular Activities
- Networking and Technology Maintenance

The staffing levels for these functional areas are shown in the table below, followed by a discussion of the accomplishments and challenges for each department and the FY 12 Superintendent's Recommended Budget for each department.

Staffing Levels for Other Program Areas

Category	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	+ / (-)
School Health Services							
Nursing Director	1.00	1.00	1.00	1.00	1.00	1.00	-
School Nurses	8.00	8.00	8.00	8.00	8.00	8.00	-
Clerical Support	0.50	0.50	0.50	0.50	0.50	0.25	(0.25)
Total - School Health	9.50	9.50	9.50	9.50	9.50	9.25	(0.25)
Athletics & Extracurricular							
Director	1.00	1.00	1.00	1.00	1.00	1.00	-
Clerical Support	0.50	0.50	0.50	0.50	0.50	0.75	0.25
Total - Athletics & Extracurricular	1.50	1.50	1.50	1.50	1.50	1.75	0.25
Networking & Technology Maintenance							
Networking & Telecommunications	0.67	0.67	0.67	0.67	0.67	0.67	-
Technology Maintenance	2.5	2.5	3.5	3.5	3.5	3.5	-
Total - Networking & Technology	3.17	3.17	4.17	4.17	4.17	4.17	-

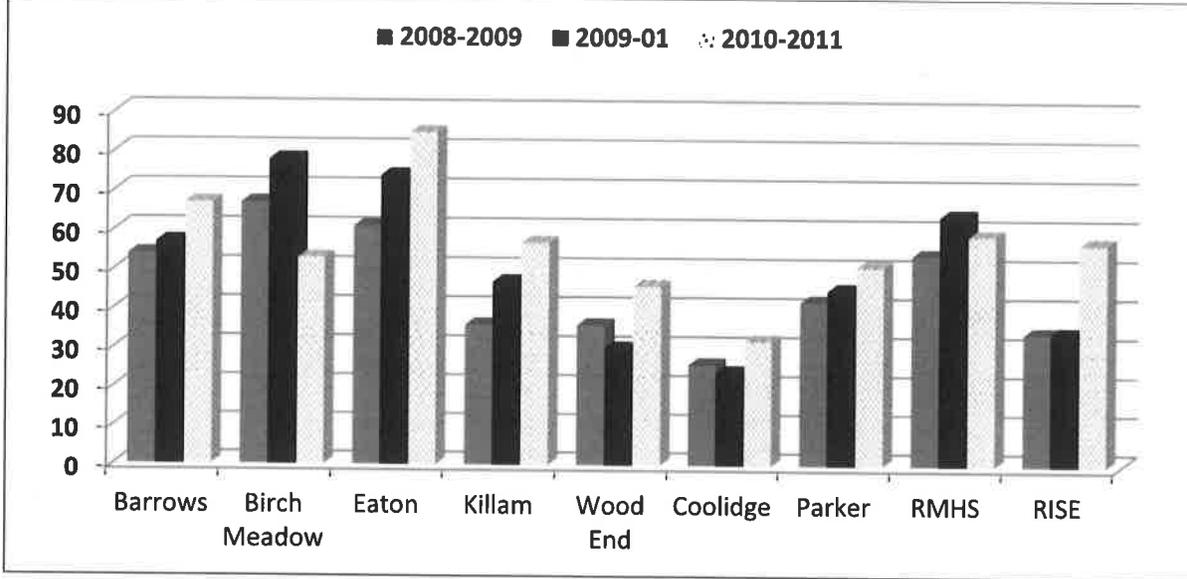
4.4.1 Health Services

The Health Services budget funds salaries and expenses for servicing the medical needs of the district's student population. Ninety-seven percent of the budget funds the salaries of the eight nurses and the Director. Currently, each building has at least one full-time nurse. The Director of Nursing is housed at the high school and provides additional support to its larger student population. The department shares a secretary with the athletics department and approximately 25% of her time is spent supporting health services. The district also contracts with a physician who provides medical examination services to student athletes and others as required. The remaining 2% of the budget funds office and medical supplies and equipment for the department.

One of the challenges confronting the health services department is the steady increase in students requiring medical services as well as the complexity of the services required. As the chart below indicates, the number of students with medical accommodation plans, also known as 504 Plans² has steadily increased in most of our schools over the past several years.

² A 504 plan spells out the modifications and accommodations that will be needed for these students to have an opportunity to perform at the same level as their peers, and might include such things as wheelchair ramps, blood sugar monitoring, a peanut-free lunch environment, or a tape recorder for taking notes. The "504" in "504 Plan" refers to Section 504 of the Rehabilitation Act and the Americans with Disabilities Act, which specifies that no one with a disability can be excluded from participating in federally funded programs or activities, including elementary or secondary schooling.

Number of students with 504 Medical Accommodation Plans



This increase in the need for medical services, as well as the increase in reporting and documentation required by various agencies keeps our nursing staff very busy. We are far more fortunate than other districts in that we have the dedicated level of staffing at each building to attend to students medical needs.

FY12 Health Services Budget

HEALTH SERVICES	Actual Expended FY2008	Actual Expended FY2009	Actual Expended FY2010	Current Budget FY2011	Level Service Budget FY2012	% Change	Level Funded Budget FY2012	% Change
Salaries								
Professional Salaries	327,634	368,533	423,986	453,608	477,454	5.3%	471,305	3.9%
Clerical Salaries	14,080	14,220	15,297	14,991	14,946	-0.3%	14,722	-1.8%
Other Salaries	2,640	10,583	7,050	5,000	7,000	40.0%	7,000	40.0%
Subtotal - Salaries	344,354	393,336	446,333	473,599	499,400	5.4%	493,027	4.1%
Contract Services								
Professional Development	1,671	1,054	-	-	-		-	
School Physician	7,859	7,859	7,859	8,200	7,859	-4.2%	7,859	-4.2%
Subtotal - Contract Services	9,530	8,913	7,859	8,200	7,859	-4.2%	7,859	-4.2%
Supplies								
Office Supplies	974	508	1,111	612	600	-2.0%	600	-2.0%
Medical Supplies	5,026	8,759	6,360	5,000	6,500	30.0%	6,500	30.0%
Subtotal - Supplies	6,000	9,267	7,471	5,612	7,100	26.5%	7,100	26.5%
Other Expenses								
Postage	-	88	417	300	315	5.0%	315	5.0%
Travel	355	271	-	-	-		-	
Equipment	3,765	1,760	1,299	2,175	2,000	-8.0%	2,000	-8.0%
Subtotal - Other Expenses	4,120	2,119	1,716	2,475	2,315	-6.5%	2,315	-6.5%
TOTAL - HEALTH SERVICES	364,004	413,635	463,379	489,886	516,674	5.5%	510,301	4.2%

The driver for the 4.2% increase in the level funded budget and the 5.5% increase in the level services budget comes from the increase in the professional salary line. In fiscal year 2011, we increased the length of the Director of Nurses' contract from 195 to 209 days so that she could attend to the medical needs of the increasing student population participating in both our special education extended year program and our various summer school programs.

The increase in other salaries reflects the actual historical cost for nursing substitutes. In Fiscal Year 2010, the rate paid to nursing substitutes was increased from a range of \$55 - \$65 per day to a range of \$75-\$100 per day to make us more comparable to neighboring districts and more competitive with private nursing services. As a result, we have been able to increase the number of nurse substitutes that we employ.

There are no funds allocated in either budget proposal for professional development or travel for nurses. This will represent the third year in a row that we have offered no budgetary support for school nurses at a time when, as mentioned above, the medical needs and challenges are increasing as are the complexity of those medical issues. We will continue to look for grant funding where possible to try to provide some additional training and development for our nursing staff.

The equipment needs of the district are fairly well satisfied with a similar level of funding as in the current year, however, medical supply expenses are increased driven in large part by the need to maintain additional reserves of Epipens due to the growing population of students with a large variety of food and other allergies. Additionally, there are supplies that need to be purchased each year for the defibrillators that we have now in all of our buildings.

4.4.2 Athletics

The Athletics budget funds the salaries and expenses necessary to operate the High School athletics program. The Reading athletics program has enjoyed a long history of success both on and off the field with numerous state championship titles in multiple sports and equally high number of awards and other recognition for character and sportsmanship.

Last year, six of our High School athletic teams won their league championship and the RMHS Football team captured the Division 2A Super Bowl title. In addition, the High School had several All-Scholastic (Globe and Herald) Athletes and Coaches of the Year.

The athletics program is a critical component of educating the whole child and provides the opportunity for students to develop not just their physical skills, but also their team-building, relationship and leadership abilities. The table below shows the participation rates for the various High School sports for the past two years.

Participation in High School Athletics, 2008-09 and 2009-10

Season	Sport	Participation		Includes:
		2008-09	2009-10	
Fall	Cross Country	74	56	
	Football	83	139	Varsity, Junior Varsity & Freshman Teams
	Soccer (Boys)	72	63	Varsity, Junior Varsity & Freshman Teams
	Soccer (Girls)	44	43	Varsity, Junior Varsity & Freshman Teams
	Swimming (Girls)	32	24	
	Volleyball	42	33	Varsity, Junior Varsity & Freshman Teams
	Cheerleading	23	20	
	Field Hockey	53	56	Varsity, Junior Varsity & Freshman Teams
	Golf	11	15	
Winter	Basketball (Boys)	35	38	Varsity, Junior Varsity & Freshman Teams
	Basketball (Girls)	35	30	Varsity, Junior Varsity & Freshman Teams
	Gymnastics (Girls)	13	29	
	Hockey (Boys)	49	49	Varsity & Junior Varsity
	Hockey (Girls)	21	19	Varsity
	Swimming (Boys)	21	23	
	Track (Boys)	92	88	
	Track (Girls)	82	89	
	Wrestling	40	30	
Spring	Baseball	47	51	
	Lacrosse (Boys)	81	76	Varsity, Junior Varsity & Freshman Teams
	Lacrosse (Girls)	52	66	Varsity, Junior Varsity & Freshman Teams
	Softball	44	35	Varsity, Junior Varsity & Freshman Teams
	Track (Boys)	98	78	
	Track (Girls)	69	56	
	Tennis (Boys)	17	19	
	Tennis (Girls)	7	12	
Total		1237	1237	

A little more than half of the athletics budget funds the salaries of the athletic coaches, director and support staff. The largest expense items within the budget are transportation, game officials, and the facility rentals (primarily for hockey, swimming, and gymnastics). These three categories of expense comprise 18% of the budget. Also included is a revenue offset for salaries which represents revenue received in the form of user fees charged to athletes and the gate receipts from the sale of tickets for several sports including football, hockey, and basketball.

The remaining 30% of the budget funds equipment replacement, maintenance, and refurbishment; team and trainer supplies; police details to monitor primarily football, basketball and hockey games; awards to players; event entry fees; dues and memberships including the Massachusetts Interscholastic Athletic Association and the Middlesex League fees; and travel reimbursement.

It is also important to note that a large amount of support for our athletics program comes from the fundraising and volunteer efforts of numerous parent booster organizations. Contributions from these groups goes to funding additional coaching staff, uniforms, equipment, season banquets and awards, and team supplies. These groups contribute anywhere from \$1,500 to \$15,000 to the various teams they support.

FY12 Athletics Budget

ATHLETICS	Actual Expended FY2008	Actual Expended FY2009	Actual Expended FY2010	Current Budget FY2011	Level Service Budget FY2012	% Change	Level Funded Budget FY2012	% Change
Salaries								
Professional Salaries	66,756	62,228	81,990	74,897	75,998	1.5%	75,998	1.5%
Clerical Salaries	17,562	16,796	17,483	17,991	18,446	2.5%	18,169	1.0%
Other Salaries	284,768	347,024	356,953	349,689	386,976	10.7%	331,148	-5.3%
Revenue Offset	-	-	(220,000)	(230,000)	(230,000)	0.0%	(250,000)	8.7%
Subtotal - Salaries	369,086	426,048	236,426	212,577	251,420	18.3%	175,315	-17.5%
Contract Services								
Equipment Maintenance	595	7,184	8,925	10,016	10,000	-0.2%	10,000	-0.2%
Field Maintenance	5,756	4,833	2,450	5,000	4,000	-20.0%	4,000	-20.0%
Facility Rentals	46,660	45,334	49,362	39,575	58,286	47.3%	58,286	47.3%
Transportation	72,980	79,350	70,027	75,000	79,440	5.9%	79,440	5.9%
Officials	54,470	55,638	59,382	55,310	58,000	4.9%	58,000	4.9%
Police Detail	4,316	7,935	5,581	7,450	7,000	-6.0%	7,000	-6.0%
Subtotal - Contract Services	184,777	200,274	195,727	192,351	216,726	12.7%	216,726	12.7%
Supplies								
Office Supplies	1,072	847	806	1,000	1,000	0.0%	1,000	0.0%
Trainer Supplies	2,003	5,075	3,962	3,000	3,500	16.7%	3,500	16.7%
Team Supplies	7,288	11,963	3,618	8,000	9,500	18.8%	9,500	18.8%
Subtotal - Supplies	10,363	17,886	8,386	12,000	14,000	16.7%	14,000	16.7%
Other Expenses								
Professional Development	-	945	165	-	200		200	
Event Entry Fees	2,043	2,901	2,507	2,000	1,000	-50.0%	1,000	-50.0%
Awards	2,029	3,511	4,384	2,500	2,500	0.0%	2,500	0.0%
Equipment Replacement	9,467	9,446	10,129	10,000	10,000	0.0%	10,000	0.0%
Travel Reimbursement	1,005	1,652	68	1,500	1,500	0.0%	1,500	0.0%
Dues & Memberships	1,143	4,030	4,020	4,000	3,600	-10.0%	3,600	-10.0%
Subtotal - Other Expenses	15,687	22,486	21,274	20,000	18,800	-6.0%	18,800	-6.0%
SCHOOL ATHLETICS	579,913	666,693	461,812	436,928	500,946	14.7%	424,841	-2.8%

The increase shown in the level services budget is due in some part to the addition of a girl's Junior Varsity Ice Hockey Team. There are a large number of girls at the middle school level who are currently playing hockey through Reading's youth hockey program. It is anticipated that next year there will be 21 freshmen that will be looking for the opportunity to play on the High School team. This would bring the total number of participants to over 40 which is similar to the numbers that the boys program currently has.

Due to the requirements of the federal Title IX regulations, the district is obligated to provide equal access and opportunity for male and female participation on sports teams. If we did not have a girl's junior varsity team, either those 21 freshman would not have a team to play on or the varsity team would have to accept all those who are eligible to play. This would, undoubtedly result in a significant disparity in the amount of playing time that female hockey players would enjoy as compared to their male counterparts. In order to ensure compliance with Title IX, we would either have to add the girl's junior varsity team or eliminate the boy's junior varsity team. Since the level services budget is based on an assumption of retaining all current programs and services, it includes the addition of the girl's junior varsity hockey team at a cost of approximately \$20,000 for FY12. This includes an additional \$4,500 for a coach, \$8,000 for ice arena rental, \$2,100 for transportation, and \$5,400 for equipment, supplies, officials, and uniforms.

The other factors contributing to the increase in FY12 level services budget are the contractual salary increases for coaches and officials (the MIAA negotiated a 1.0% increase to officials' salaries for the upcoming year), the anticipated 5% increase in transportation rates, and an anticipated increase in rental rates for the ice arena and the YMCA pool.

In order to arrive at a level funded budget, a number of changes were made including a reduction in salary increases, a shifting of a \$50,000 in salary expense to one-time revenue sources, and an increase in the revenue offset from \$230,000 to \$250,000. By increasing the offset to this level, we are essentially using all of the revenue that we anticipate generating. Historically, we have always tried to ensure that there is a sufficient balance at years end to fund the budgeted offset for the next year. Unfortunately, over the last two years, the yearend balance has been lower than the beginning year balance. With this level of revenue offset required each year to fund the athletics budget, and with the need to fund the \$50,000 in salary expenses in FY13 that are being charged off to one-time revenue in FY12, we project that by the end of fiscal year 2013, we will have a balance of less than \$50,000 in the athletics revolving fund. Absent an increase in user fees, this will mean a required reduction of \$25,000 to \$30,000 in the athletics budget in the following year as a result of the decrease in athletic revolving fund reserves.

If further reductions beyond the level funded budget are required (i.e. a -.5% budget), the proposed cuts include a \$40,000 reduction to the athletics budget. There are several options for closing this \$40,000 gap which could include eliminating specific sports with low participation, eliminating all freshman sports which would reduce expenses by \$78,000 but would also eliminate \$38,000 in user fee revenue, increase user fees by \$40 per athlete, or some combination of these options. The specifics of the cuts would be determined once the final required reduction was known.

4.4.3 Extracurricular Activities

The Extracurricular Activities budget funds the salaries, stipends, and a small portion of the expenses necessary to offer extracurricular activities at the high school and our two middle schools. These activities include the high school drama and band programs, the middle school drama and band programs, and the various clubs such as yearbook, student council, student newspapers and magazines, and other academic clubs such as the math and science teams at both the high school and middle school levels. As with athletics, these programs are critical to the education of the whole child and provide opportunities for our students to grow, learn, and excel in activities that generate enthusiasm and passion outside of the classroom. They also offer students the chance to develop confidence, character, relationships, and leadership abilities.

Some of the notable accomplishments from the 2009-10 school year are listed below.

- The RMHS Marching Band won medals at several competitions throughout the fall season
- The RMHS Jazz Band, Stage Band, and Percussion Ensemble won individual and group awards during the winter competition season
- Several RMHS students were accepted to Junior and Senior Districts and All-State concerts
- The RMHS Science team finished 4th in the statewide science competition
- The RMHS Young Engineers Club finished a two year project during which they build a working biodiesel reactor that converts vegetable oil into diesel fuel
- Two RMHS students were recognized by the Massachusetts High School Drama Guild winning the statewide award for Set Design
- Several RMHS students won All State Music Awards
- The Parker Math Team continued to excel in local and state competitions
- The Coolidge Science Olympiad Team won the state competition and participated in the National Science Olympiad competition

FY12 Extracurricular Activities Budget

EXTRACURRICULAR ACTIVITIES	Actual Expended FY2008	Actual Expended FY2009	Actual Expended FY2010	Current Budget FY2011	Level Service Budget FY2012	% Change	Level Funded Budget FY2012	% Change
Salaries								
Professional Salaries	28,610	29,727	32,147	31,456	31,928	1.5%	31,928	1.5%
Stipends	2,500	37,199	40,529	49,552	51,176	3.3%	29,218	-41.0%
Revenue Offset	-	-	(24,000)	(65,000)	(40,000)	-38.5%	(40,000)	-38.5%
Subtotal - Salaries	31,110	66,925	48,676	16,008	43,104	169.3%	21,146	32.1%
Contract Services								
Equipment Rental	-	-	941	-	2,000		2,000	
Training	4,105	1,125	1,303	3,000	1,500	-50.0%	1,500	-50.0%
Travel	8,490	8,690	8,024	8,500	8,500	0.0%	8,500	0.0%
Subtotal - Contract Services	12,595	9,815	10,269	11,500	12,000	4.3%	12,000	4.3%
Supplies								
Office Supplies	2,510	318	-	-	500		500	
Activity Supplies	300	770	-	-	1,000		1,000	
Subtotal - Supplies	2,810	1,089	-	-	1,500		1,500	
Other Expenses								
Event Entry Fees	986	1,562	173	1,000	500	-50.0%	500	-50.0%
Dues & Memberships	-	951	315	950	1,000	5.3%	1,000	5.3%
Royalties	2,334	1,065	585	2,000	2,000	0.0%	2,000	0.0%
Equipment	1,566	4,254	2,290	1,000	1,000	0.0%	1,000	0.0%
Subtotal - Other Expenses	4,886	7,832	3,363	4,950	4,500	-9.1%	4,500	-9.1%
SCHOOL EXTRA CURRICULA	51,401	85,661	62,308	32,458	61,104	88.3%	39,146	20.6%

As is the case with athletic programs, it is important to recognize that a significant amount of support for these activities comes from parent booster organizations such as the Parents Supporting Student Theater or the Reading Band Parents Organization. These groups raise tens of thousands of dollars each year which are used to offset a significant portion of the expenses needed to fund these programs. In some cases, these organizations are funding 50% - 75% of the total cost of the programs offered. Without this support, these programs would not be able to continue with the level of funding provided through the operating budget.

A little more than half of the extracurricular budget funds the stipends paid to the activity advisors. Another 32% funds the cost of a 0.3 FTE extracurricular activities coordinator who is also the 0.7 FTE athletics director. The revenue offset represents the revenue received from user fees charged to participants as well as a portion of ticket sales for entry into events, most notably our drama performances at both the high school and the middle schools. The remaining 17% of the budget funds miscellaneous expenses such as transportation to and from events and competitions, royalties paid for the rights to the drama productions, band truck rentals to transport instruments to and from events, dues and memberships for some activities such as the New England School Bands Association, and miscellaneous supplies.

One will notice that expenses for such items such as sets or costumes for drama productions, uniforms and instruments for band members, or printing and publication of yearbooks, student newspapers and magazines are not reflected in this budget as those expenses are paid either by parent support organizations or individual parents, or through the revenue received from ticket, advertising, refreshment, or merchandise sales. While an exact figure is not known at this time, it is estimated that the extracurricular budget likely funds only 35% to 45% of the actual costs attributable to these programs and activities.

The FY12 level service budget reflects contractual and other salary increases. The salary expense line as a whole increases dramatically due to the decrease in the revenue offset. As part of the FY11 budget, a series of new fees were instituted including a \$175 fee for participation in high school band activities; a \$100 fee for high school extracurricular activities such as math team, science team, yearbook, the Orbit (student newspaper), and high school chorus; a \$35 per season fee for use of the fitness center for students not on an athletic team for that season; and a \$50 middle school extracurricular activities fee. Unfortunately, one of the results of the imposition of the extracurricular fee has been a drop in participation in those activities subject to the fee. For example, at the high school, the math team and the vernal pool club were both cancelled this year due to lack of participation. In addition, participation numbers that were provided last year as part of the budget development appear to have been somewhat overstated. The end result is that fee collections have not been as high as anticipated.

Due to the impact that the extracurricular fee, in particular, has had on participation, we are proposing to eliminate the \$100 high school extracurricular fee and the \$50 middle school extracurricular fee for next year. The one exception at the middle schools is that the \$50 fee would remain for participation in the drama and band programs which is consistent with what is done at the high school level.

The level funded budget assumes the same revenue offset but also includes the elimination of the after school fitness center program at the High School. Currently, the fitness center remains open for three hours after the end of the school day, from 2:30 to 5:30 p.m., so that students who are not participating in athletics, are able to exercise and maintain their physical fitness. Unfortunately, the cost to staff the facility each day for those extended hours with qualified fitness center monitors and a fitness center supervisor to oversee the scheduling of the monitors, oversee compliance with insurance requirements, and to ensure that the equipment is properly maintained and cleaned, is just over \$20,000 per year. This is an unfortunate cut at a time when childhood obesity rates are on the increase throughout the country. However, without a revenue source to support this and other activities, it is not possible to fund its continued operation.

4.4.4 Networking and Technology Maintenance

The networking and technology maintenance budget funds the salaries and expenses required to operate, service, repair, and maintain our technology infrastructure including our wide area network, wireless networks, servers, computer hardware and peripheral devices, and telephone equipment. Eighty-five percent of this budget is used to fund the salaries of the district staff who perform these services including a Network Administrator (66% of this salary is charged here with the remainder charged to District Administration for the support provided to district-wide data and information management), a 0.2 FTE district-wide technology specialist, and 3.5 FTE computer technicians. The remainder of the budget funds our Connect-Ed emergency notification system license, telephone equipment repairs, internet service, and miscellaneous supplies and equipment to maintain the district's technology infrastructure.

FY12 Networking and Technology Maintenance Budget

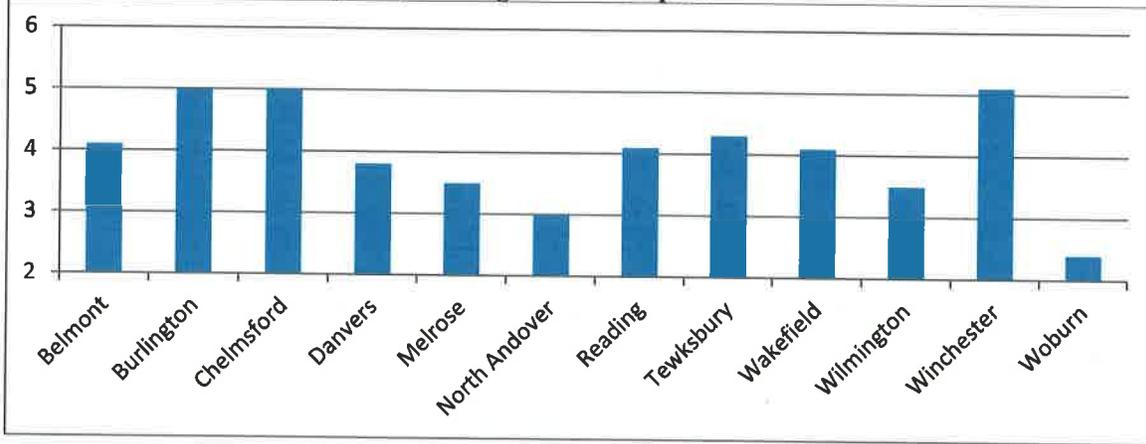
SCHOOL TECHNOLOGY	Actual	Actual	Actual	Current	Level Service	Level Funded		
	Expended FY2008	Expended FY2009	Expended FY2010	Budget FY2011	Budget FY2012	% Change	Budget FY2012	% Change
Salaries								
Professional Salaries	183,182	79,552	70,905	71,742	72,812	1.5%	72,590	1.2%
Other Salaries	86,739	128,922	133,709	133,390	135,390	1.5%	135,390	1.5%
Subtotal - Salaries	269,921	208,475	204,614	205,132	208,202	1.5%	207,980	1.4%
Contract Services								
Internet	727	1,320	1,440	1,440	1,440	0.0%	1,440	0.0%
Emergency Notification	-	15,556	15,480	15,556	15,600	0.3%	15,600	0.3%
Consulting	7,950	-	-	-	-	-	-	-
Subtotal - Contract Services	8,677	16,875	16,920	16,995	17,040	0.3%	17,040	0.3%
Supplies								
	-	2,399	-	2,000	2,000	0.0%	2,000	0.0%
Other Expenses								
Software	-	8,752	2,860	-	2,000	-	2,000	-
Telephone Repairs	-	11,245	11,766	15,345	15,000	-2.2%	15,000	-2.2%
Network Equipment	-	-	-	2,000	2,000	0.0%	2,000	0.0%
Phone Equipment	-	352	30,000	-	-	-	-	-
Subtotal - Other Expenses	-	20,348	44,626	17,345	19,000	9.5%	19,000	9.5%
SCHOOL TECHNOLOGY	278,598	248,097	266,160	241,472	246,242	2.0%	246,020	1.9%

It is reasonable to state that this is probably one of the most underfunded portions of the school department budget and the lack of sufficient staffing levels has resulted in considerable strain on the district. To minimize long term operational costs, almost all of our network, data, and email operations are in house resulting in additional demands on district staff. The average response time for a non-priority repair is on the order of 4-6 weeks and even priority repairs can take up to 1-2 weeks to address. The district currently has over 1,600 computers and a nearly equal amount of peripheral devices such as printers, scanners, and projectors to attend to. The ratio of equipment to staff is on the order of 400 to 1. As the chart below indicates, Reading ranks fifth among twelve comparable districts with respect to the number of modern computers³ to students with a ratio of 4.1 students to each modern computer.

For the current year, we have used stimulus funds to hire one additional computer technician to help relieve the backlog of maintenance and enhancement requests in the district. Unfortunately, that funding will not be available next year and, as a result, the position will need to be eliminated.

³ A modern computer is defined as a workstation, laptop or thin client that has Windows 2.0 GHz CPU or better, single processor OR 1.0 GHz Dual Core, 1 GB RAM or better; or a Macintosh G5 or better, with 1 GB RAM or better.

Students per Modern Computer, Reading versus Comparable Communities



One area that is being investigated and pursued is technology virtualization. Virtualizing our servers and desktops will result in long term operational savings. This technology solution involves replacing the traditional desktop CPU with what is known as a thin client. The thin client is used as the gateway to the server where the traditional ~~desktop~~ would now reside. The thin client is significantly less expensive than the desktop computer, has a much longer life due to a minimal amount of internal components, and utilizes much less electricity than a CPU. With the use of stimulus funding, we are currently piloting thin clients in strategic locations throughout the district. Once the implementation challenges have been identified and resolved, we are hopeful that a remaining allocation of stimulus funding will be employed to allow for virtualization at least at the high school level during the upcoming year. We are also hopeful that funding either through grants or through capital funds will be available to allow for more widespread virtualization throughout the district.

One of our goals has also been to implement document storage at least at the district office. Such an effort would not only enhance our ability to access and retrieve documents and records but it would also free up valuable storage and office space, reduce paper and photocopying expenses. Unfortunately, neither the level service nor the level funded budget includes the funding or staff time required to achieve this goal in the upcoming year.

4.5 School Building Maintenance

The School Building Maintenance budget funds the salaries and expenses necessary to operate and maintain our school buildings. This includes the salaries of the custodial and maintenance staff, the Director of Facilities, the Energy and Facilities Services manager and the one full-time secretary that supports the department. Salaries account for the majority of the School Building Maintenance operating budget at 35%. The revenue offset represents revenue generated from the rental of our school facilities for use by town and other area groups.

The next largest share of the School Building Maintenance budget funds energy and utility expenses including natural gas, electricity, and water and sewer. In FY10, these items represented 33% of total expenditures within this budget. Building repairs, both regular and unanticipated, represent another 10% of the budget while cleaning services accounts for 6%; inspections, testing and preventative maintenance services another 3% of the budget; and custodial supplies at 2% of the budget. The remaining 10% of the budget funds miscellaneous supplies and expenses such as uniform allowance and gasoline for the maintenance vehicles.

The Facilities Department maintains and cleans 771,050 square feet of school building space. Our 19 full time custodians are responsible for cleaning approximately 40,000 square feet per shift or 5,000 square feet per man hour. This figure is high when compared to both other districts as well as national benchmarks for the amount of square footage per person and per hour. The Facilities Department also employs three full time maintenance staff including one licensed master plumber and two maintenance technicians. Given the square footage of our facilities, this translates to roughly 250,000 square feet of space maintained per maintenance staff.

During fiscal year 2010, the Facilities Department received a total of 2,206 work orders including preventative maintenance work orders that are automatically generated through the School Dude PM-Direct module. The total number of work orders completed was 1,915 and the average time to complete work orders was six days.

With respect to facility use, we have one of the highest utilization rates in the region as measured by the total hours of non-school use of facilities. There were 4,626 events scheduled in our schools during the last year. Of that amount, 632 were billable rentals at an average rental rate of \$171.00 per event. There were 184 rental invoices generated with 181 collected for total rental revenue of just under \$110,000. In addition, 769 of the events were Reading Recreation usage. The Recreation department pays us an annual payment of \$25,000 for use of all of our buildings. That translates to an average return of \$32.51 per recreation event or \$138.49 less than what the average rental event generates in revenue. If recreation events brought in the same per event amount, it would result in an additional \$131,500 in rental revenue each year.

One of the most significant accomplishments of the department during the prior year which continues in the current year is the energy conservation performance contracting project. During fiscal year 2010, over 60% of the project was completed under the daily supervision of the Director of Facilities. The savings during the construction period last year was over \$300,000. This savings was used to offset the interest payment for the debt issued to fund the project and was also invested in additional energy conservation work including the replacement of corridor windows at the Killam Elementary School. In the upcoming year, the Facilities Department has a number of ambitious goals and priorities including the implementation of the Green Schools Repair projects at Birch Meadow and Killam Elementary Schools, pending successful receipt of funding, increasing rental revenues through aggressive marketing including increased on-line exposure, and continued implementation of the EPA's Indoor Air Quality -Tools for Schools Program to ensure a safe and health work and learning environment.

FY12 School Building Maintenance Budget

SCHOOL FACILITIES	Actual	Actual	Actual	Current	Level Service	Level Funded		
	Expended FY2008	Expended FY2009	Expended FY2010	Budget FY2011	Budget FY2012	% Change	Budget FY2012	% Change
Salaries								
Professional Salaries	198,156	212,103	149,781	149,886	156,062	4.1%	156,062	4.1%
Clerical Salaries	33,796	35,910	36,678	38,386	38,950	1.5%	38,374	0.0%
Other Salaries								
Custodians	688,136	754,599	699,915	775,314	776,414	0.1%	744,859	-3.9%
Maintenance Staff	141,585	142,324	138,666	153,092	155,001	1.2%	152,683	-0.3%
Substitutes	64,626	54,686	92,475	70,000	70,000	0.0%	70,000	0.0%
Overtime	105,294	66,043	72,377	103,316	103,000	-0.3%	103,000	-0.3%
Revenue Offset	-	(505)	-	(155,000)	(145,000)	-6.5%	(145,000)	-6.5%
Subtotal - Salaries	1,231,593	1,265,160	1,189,892	1,134,994	1,154,427	1.7%	1,119,977	-1.3%
Contract Services								
Elevator	13,599	15,350	16,011	17,974	21,607	20.2%	21,607	20.2%
Alarms	4,762	4,839	6,126	5,324	4,884	-8.3%	4,884	-8.3%
Fire Equipment	14,960	16,477	16,871	18,616	25,785	38.5%	25,785	38.5%
HVAC	17,619	42,793	25,001	34,345	34,925	1.7%	34,925	1.7%
Other Services	55,906	37,890	29,819	28,984	28,984	0.0%	28,984	0.0%
Pest Management	6,334	3,624	1,581	2,790	2,700	-3.2%	2,700	-3.2%
Cleaning Services	225,186	238,597	237,742	238,372	228,557	-4.1%	228,557	-4.1%
Software Licenses	4,976	4,276	4,234	4,500	4,234	-5.9%	4,234	-5.9%
Subtotal - Contract Services	342,342	363,846	337,385	350,905	351,676	0.2%	351,676	0.2%
Supplies								
Custodial Supplies	82,145	85,891	85,595	76,010	80,210	5.5%	80,210	5.5%
Office Supplies	3,767	2,910	3,881	3,279	3,393	3.5%	3,393	3.5%
Maintenance Supplies	2,794	3,551	2,180	5,000	5,000	0.0%	5,000	0.0%
Subtotal - Supplies	88,706	92,352	91,657	84,289	88,603	5.1%	88,603	5.1%
Other Expenses								
Electricity	648,196	659,699	562,686	749,669	667,780	-10.9%	667,780	-10.9%
Natural Gas	675,954	534,842	487,224	760,000	467,115	-38.5%	467,115	-38.5%
Water & Sewer	76,495	80,106	72,500	87,524	93,950	7.3%	93,950	7.3%
Energy Management	35,000	330,030	43,507	-	-	-	-	-
Building Repairs	316,200	304,179	284,610	267,319	263,329	-1.5%	263,329	-1.5%
Extraordinary Repairs	310,180	58,570	313,600	112,700	116,700	3.5%	116,700	3.5%
Uniform Allowance	7,577	9,079	9,071	8,600	10,430	21.3%	10,430	21.3%
Gasoline	10,089	9,207	7,892	10,000	10,000	0.0%	10,000	0.0%
Travel Reimbursement	9,822	4,574	-	3,045	4,000	31.4%	4,000	31.4%
Equipment	33,959	44,341	11,349	6,505	5,550	-14.7%	5,550	-14.7%
Subtotal - Other Expenses	2,123,472	2,034,628	1,792,440	2,005,362	1,638,854	-18.3%	1,638,854	-18.3%
TOTAL - SCHOOL FACILITIES	3,786,113	3,755,985	3,411,374	3,575,550	3,233,560	-9.6%	3,199,110	-10.5%

The FY12 level services budget shows a decrease of 9.6% overall which is driven primarily by the decrease in electricity and natural gas expenditures. This decrease results from both the implementation of the energy conservation measures as part of the performance contracting project, as well as a projected decrease in natural gas prices. Our current natural gas contract expires in October 2011 and we have solicited initial pricing from a number of gas suppliers. The rates being quoted through the end of fiscal year 2012 are approximately 20% lower than the rates we are currently paying. This is due to an excess of gas supply and the discovery of new reserves that has significantly changed gas pricing fundamentals for the foreseeable future. As a result, this budget line is expected to decrease by 38.5% over budgeted levels for FY11.

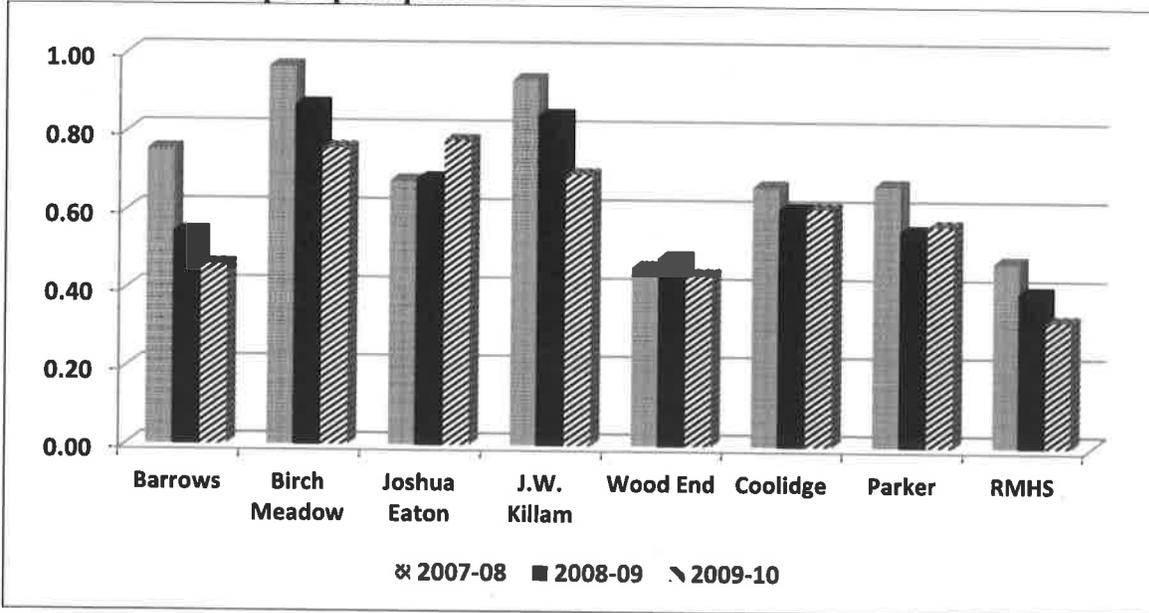
School Building Maintenance Staffing

Category	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	+ / (-)
School Building Maintenance							
Directors & Managers	3.00	3.00	3.00	2.00	2.00	2.00	-
Maintenance Staff	3.00	3.00	3.00	3.00	3.00	3.00	-
Custodians	21.00	20.00	20.00	20.00	19.00	18.50	-
Clerical Support	1.00	1.00	1.00	1.00	1.00	1.00	-
Total	28.00	27.00	27.00	26.00	25.00	24.50	-

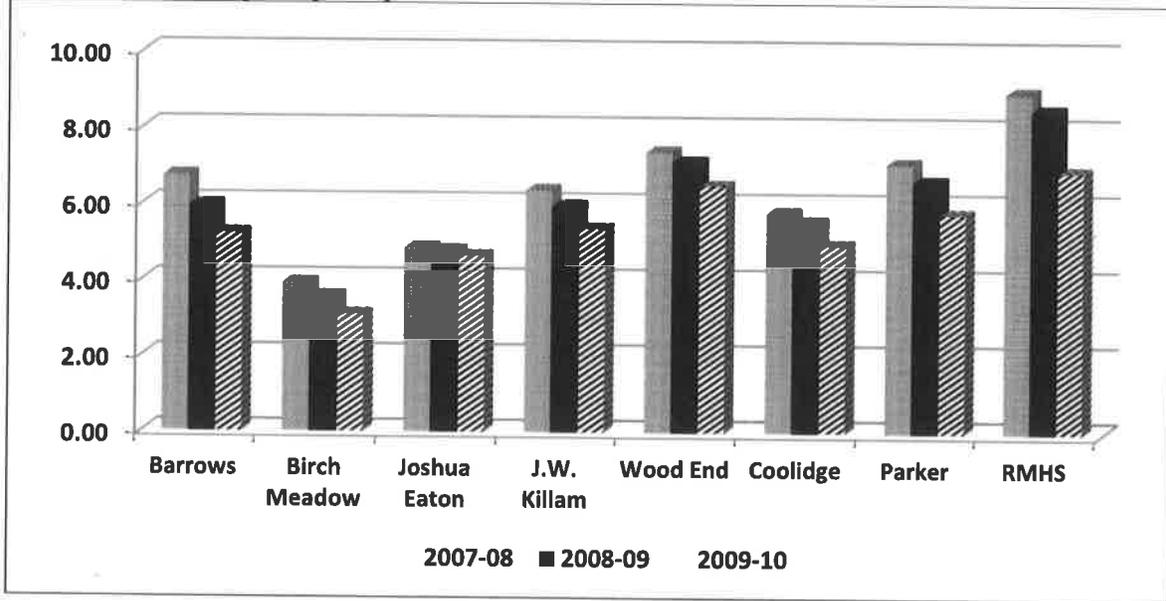
It should be noted that the budgeted levels for FY11 appears high; this is due to the fact that the actual savings during the performance contracting construction period will be used to offset the debt and interest payments for the funds that were borrowed to finance this project. Beginning in FY12, we will be in what is known as the performance period where the savings will be guaranteed. With the guarantee in place, the budget number reflects historic consumption less the guaranteed savings.

With respect to electricity, we are projecting a 10.9% reduction in expenses for FY12. While consumption is expected to decrease as a result of the energy conservation measures, we have been advised by Reading Municipal Light Department to utilize rate that is 5% higher than this year's rates in. Similarly, the budgeted increase for water and sewer is based on a projected rate increase despite a projected reduction in water consumption. The charts below show historical and projected consumption per square foot for natural gas, electricity, and water. This is a measure of the efficiency of each building for the use of each resource. As the charts indicate, the consumption per square foot has been steadily decreasing with efficiency improvements in each of our buildings over the last three years.

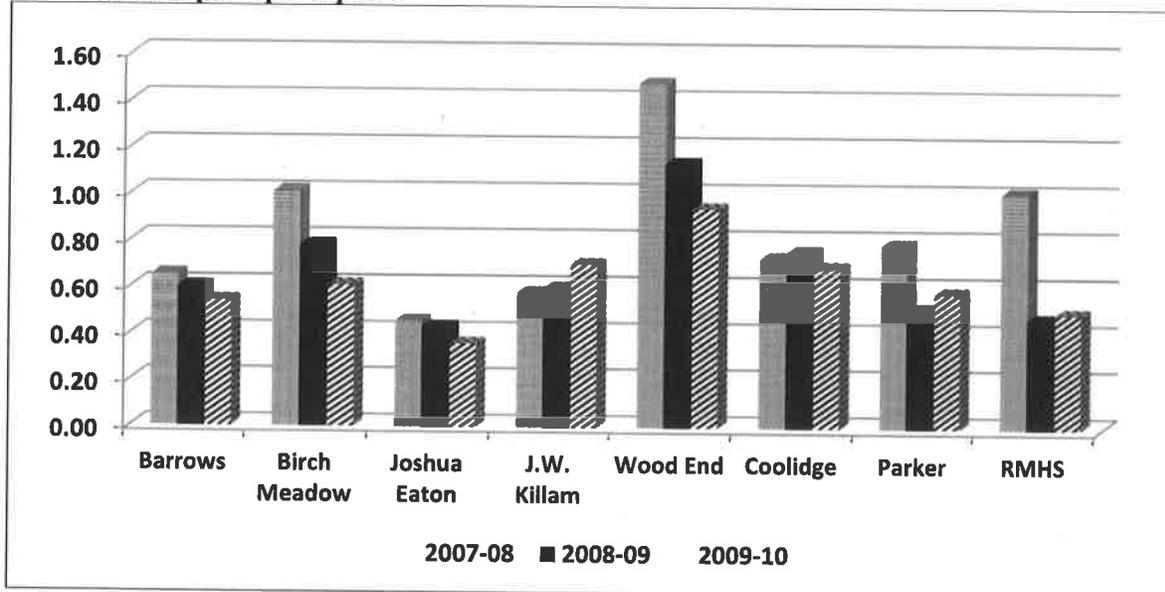
Natural Gas Consumption per Square Foot



Electricity Consumption per Square Foot



Water Consumption per Square Foot



The contract services budget includes expenses for vendors to perform required monthly, quarterly, or annual testing and inspections such as elevator and boiler inspections and fire alarm testing. Also included are the regular preventative maintenance services provided by trade vendors such as annual boiler maintenance and quarterly HVAC equipment maintenance (e.g. filter changes for roof top equipment or lubrication of fan motors). In FY12, the contract services budget is projected to increase by a modest 0.2% overall.

The majority of the supply budget funds the custodial supplies that are used in each building including cleaning supplies, floor stripper and wax, paper products for bathrooms, mop heads, and trash barrel liners. This also includes the cost of ice melt that is applied to all of the sidewalks, stairs, and walkways around our buildings during snow events. Overall, the FY12 supply budget is expected to increase by

5.1%. This estimate is based on historic consumption and an anticipated increase in those supplies that are petroleum based due to the increasing crude oil feedstock prices for these products.

The remaining expenses for the FY12 budget are expected to remain relatively unchanged. The total budgeted amount for building repairs, including both anticipated and unanticipated, remains unchanged from FY11 levels. There is a slight increase in uniform allowance to fund an increase in embroidery expenses for custodial and maintenance uniforms. In addition, an anticipated increase in gasoline prices is resulting in a slight increase in gasoline and travel expenses for FY12.

4.6 Town Building Maintenance

The Town Building Maintenance budget funds the salaries and expenses necessary to operate and maintain our seven municipal buildings which include Town Hall, Reading Public Library, Reading Senior Center, the Department of Public Works Garage, the Police Station, and the Main Street and Woburn Street Fire Stations. The total square footage for these seven buildings is 137,062. The department includes 3.0 FTE custodians, two who service the buildings during the day shift and one during the evening shift. The building is also serviced by the three maintenance staff that are funded entirely from the School Building Maintenance budget, as are the Director of Facilities, the Energy and Facilities Services Manager and the one full time secretary that supports the department.

Salaries account for one-quarter of the expenditures in this department. Forty-four percent of the budget funds energy and utility expenses while 17% funds building repairs, both anticipated and unanticipated. The remainder of the budget funds contract services which includes the cleaning service contractor that is used to clean the Town Hall, Reading Public Library, the Police Station, and the Senior Center. The remaining contracted services are vendors that are employed to perform required testing and inspections as well as scheduled maintenance activities.

FY12 Town Building Maintenance Budget

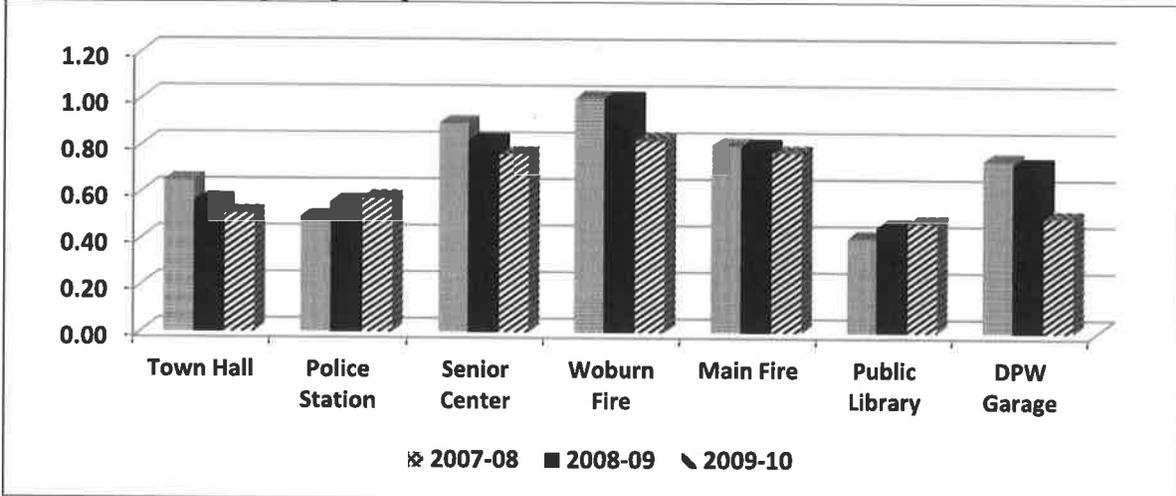
	Actual Expended FY2008	Actual Expended FY2009	Actual Expended FY2010	Current Budget FY2011	Level Service Budget FY2012	% Change	Level Funded Budget FY2012	% Change
Salaries								
Custodial Salaries	114,294	120,701	120,033	126,169	127,744	1.2%	126,467	0.2%
Other Compensation	1,486	1,589	1,743	1,743	1,743	0.0%	1,743	0.0%
Overtime	41,800	28,498	38,784	40,000	40,000	0.0%	40,000	0.0%
Subtotal - Salaries	157,581	150,788	160,559	167,912	169,486	0.9%	168,209	0.2%
Contract Services								
Cleaning Services	52,477	61,240	41,922	44,344	44,344	0.0%	44,344	0.0%
Elevator	-	16,687	14,957	12,000	13,320	11.0%	13,320	11.0%
Alarm	-	1,720	2,474	6,924	10,715	54.8%	10,715	54.8%
Fire Equipment	-	10,032	7,765	1,590	2,535	59.4%	2,535	59.4%
HVAC	-	31,181	20,652	4,580	9,400	105.2%	9,400	105.2%
Pest Management	-	3,372	-	1,770	1,770	0.0%	1,770	0.0%
Subtotal - Contract Services	52,477	124,232	87,771	71,208	82,084	15.3%	82,084	15.3%
Supplies & Materials	10,359	13,816	13,455	13,930	14,955	7.4%	14,955	7.4%
Other Expenses								
Natural Gas	150,870	136,575	117,446	138,250	87,700	-36.6%	87,700	-36.6%
Electricity	168,597	181,193	159,959	173,800	171,650	-1.2%	171,650	-1.2%
Water & Sewer	13,944	15,893	16,054	16,615	16,300	-1.9%	16,300	-1.9%
Building Repairs	173,972	61,500	65,353	82,379	103,679	25.9%	103,679	25.9%
Extraordinary Repairs	100,242	59,143	44,839	76,600	55,300	-27.8%	55,300	-27.8%
Travel Reimbursement	1,121	-	-	-	-	-	-	-
Subtotal - Other Expenses	608,746	454,304	403,650	487,644	434,629	-10.9%	434,629	-10.9%
Total - Town Facilities	829,163	743,140	665,436	740,693	701,154	-5.3%	699,877	-5.5%

The FY12 Town Building Maintenance budget decreases by 5.3% in the level service budget projection and by 5.5% in the level funded budget projection. The largest percentage increase is in the contract

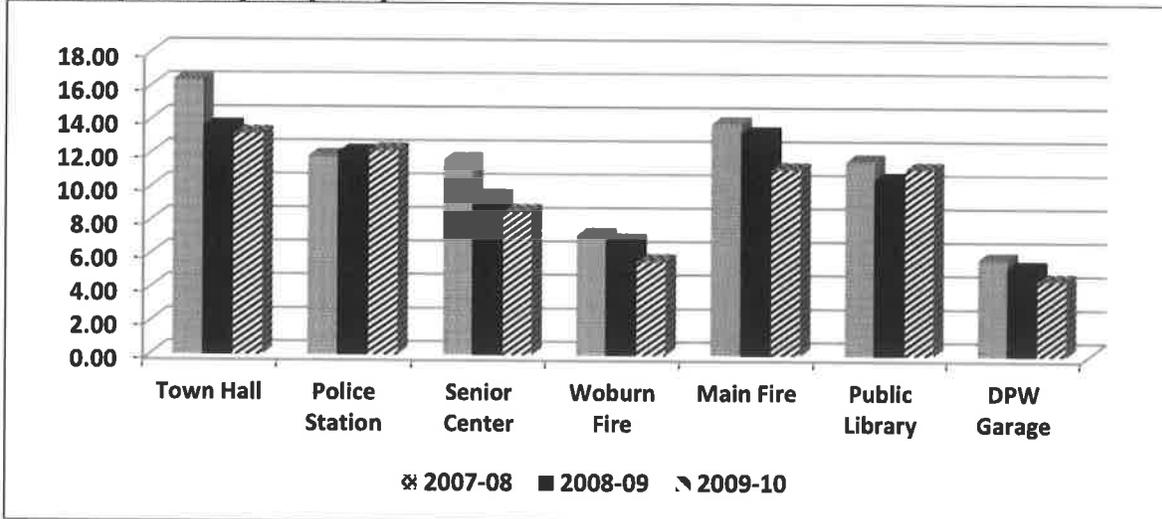
services expense. Some of the increase is attributable to the use of estimates that more closely approximate historic costs while some is attributable to the maintenance of additional controls that were added as part of the energy conservation project and the need to meet specific preventative maintenance requirements stipulated as part of the performance contracting savings guarantees. The increase in custodial supplies results primarily from projected increases in supply prices driven by the increase in the price of petrochemical feedstock.

As can be seen, the factor that is most responsible for the projected decrease in the FY12 Town Building Maintenance budget is the projected decrease in energy consumption, most notably natural gas. A combination of reduced consumption related to the energy conservation measures that were implemented and an anticipated reduction in natural gas prices drives this reduction. While consumption of electricity and water is also expected to be lower in FY12, the projected increase in electricity and water rates dampens the impact of reduced consumption somewhat. The charts below show historical and projected consumption per square foot for natural gas, electricity, and water. This is a measure of the efficiency of each building for the use of each resource. As the charts indicate, the consumption per square foot has been decreasing, for the most part, with efficiency improvements in each of our buildings over the last three years.

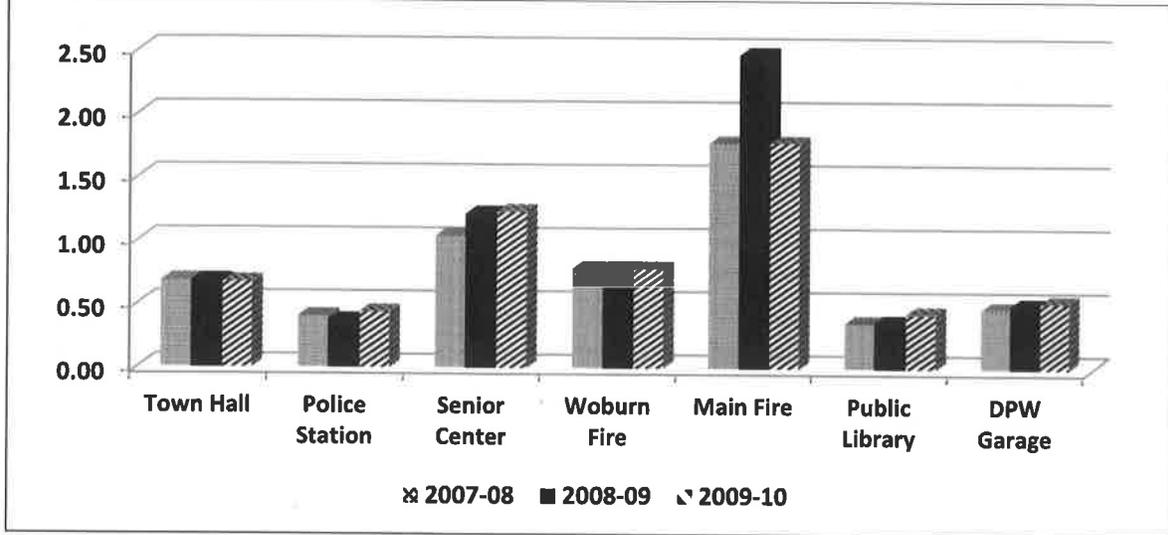
Natural Gas Consumption per Square Foot



Electricity Consumption per Square Foot



Water Consumption per Square Foot



The water consumption chart above does not reflect a significant increase in water efficiency as very few water conservation measures were incorporated in town buildings as part of the performance contracting project. This was due to the relative low number of water fixtures in these buildings compared to school buildings and due to the fact that the majority of the fixtures had already been converted to water saving fixtures through the efforts of the Town's water department.

5.0 District Revenues

5.1 Federal and State Grants

For the current fiscal year, our school district has been awarded and expects to receive \$3.4 million in federal and state grant funds which includes \$936,000 in one-time federal stimulus funds through the American Reinvestment and Recovery Act. This federal and grant funding represents a little over 8.0% of our district's total expenditures on education this year. In Fiscal Year 2012, we are anticipating a 9% decrease in federal grant funding with the expiration of the ARRA funding. Fortunately, the Education Jobs funding that has been allocated to our district prevents that decrease from being much greater; without the EduJobs funds, the decrease would have been 28%. Unfortunately, we are anticipating a 19% decrease in federal and state grant funding in FY13 as we close the last chapter on federal education stimulus funding.

Grant Fund: Historical Expenditures, Current Year Awards, and Projected Awards

	Expended 2008	Expended 2009	Expended 2010	Award 2011	Projected 2012	Projected 2013
Federal Grants:						
Title I	120,818	98,564	72,203	115,419 ¹	96,126	97,087
Title IIA	69,835	69,562	68,071	69,140	69,831	70,530
Title IID	2,427	2,004	1,657	-	-	-
Title V	2,627	-	-	-	-	-
Safe & Drug Free Schools	11,785	11,893	9,976	4,533	-	-
SPED P.L. 94-142	837,087	865,937	911,974	914,856	919,430	942,416
SPED Early Childhood	17,554	16,906	16,854	18,052	18,233	18,688
SPED Prof. Dev.	25,919	13,877	-	-	-	-
Teaching of American History	254,084	551,084	41,034	-	-	-
Teaching of American History II	-	-	327,844	335,988	335,988	-
Emergency Preparedness	23,306	41,228	31,421	-	-	-
Physical Education (PEP) Grant	42,830	-	-	-	-	-
Subtotal - Non-ARRA Federal Grants	1,408,272	1,671,055	1,481,034	1,457,988	1,439,608	1,128,721
ARRA IDEA	-	-	544,002	572,991	-	-
ARRA Early Childhood	-	-	21,590	22,720	-	-
ARRA SFSF	-	974,264	654,119	340,678 ²	-	-
ARRA EECBG	-	-	150,000	-	-	-
EduJobs	-	-	-	-	641,270	-
Subtotal - ARRA Federal Grants	-	974,264	1,369,711	936,389	641,270	-
Total - Federal Grants	1,408,272	2,645,319	2,850,745	2,394,377	2,080,878	1,128,721
State Grants:						
Racial Imbalance (METCO)	349,043	345,611	326,675	327,244	320,699	315,889
Academic Support	9,910	12,000	11,300	11,400	11,286	11,117
Gifted & Talented	31,000	-	-	-	-	-
Circuit Breaker	1,265,360	1,409,865	868,372	693,866	710,000	1,065,000 ³
Safe Schools Program	-	1,500	-	-	-	-
School Nurse Prof. Development	-	4,212	-	-	-	-
Total - State Grants	1,655,313	1,773,188	1,206,347	1,032,510	1,041,985	1,392,005

(1) Includes \$20,000 rollover from FY10
(2) Includes \$290,013 rollover from FY10
(3) Assumes reimbursement rate increased from 40% to 60%

Our school district receives a number of federal entitlement grants each year under the No Child Left Behind Act including Title I (allocated based on a district's poverty rate), Title IIA (Teacher Quality Improvement funding), Safe and Drug Free Schools, IDEA (otherwise known as P.L. 94-142, based on

special education population) and Early Education funding. Historically, Reading Public Schools received a number of additional entitlement grants but, as the table below shows, many of those grant programs have been eliminated or are no longer funded in the federal budget. This year the Safe and Drug Free Schools program was scheduled to be eliminated. However, due to funds that were returned to the DESE at the end of last year, there was a distribution out to the districts for one last year in FY11.

In addition to the federal entitlement grants, we have also been successful in past years in obtaining federal competitive grants such as the Emergency Preparedness grant and the Teaching of American History grant. Currently, we have just one federal competitive grant, a second three-year Teaching of American History grant that funds professional development for teachers on how to improve the teaching of American history in our schools. We are currently in the second year of this three year grant.

The other federal funding that we have received for the past two fiscal years and again in this fiscal year are the ARRA stimulus funds. The total amount that we have received from FY09 through the current year is \$3,280,364. This funding has had a significant positive impact on our district and, without this important funding, the district would likely have faced personnel cuts equivalent to 30 or 40 teachers which would have had a devastating effect on teaching and learning in Reading. While the ARRA funding is eliminated as of the end of this year, in August of 2010, President Obama signed the Education Jobs bill which provided one more dose of stimulus funding to prop up education in the nation. The funds can only be used for instructional support but can be used anytime between July 1, 2010 and September 30, 2012. We are currently assuming that we will not need to use these funds in FY11 and will plan to apply for and utilize them for FY12. The challenge will be how to strategically invest these non-recurring funds in a sustainable manner.

Our district also receives three state grants including METCO, Academic Support, and Circuit Breaker. The METCO grant allocates funds to the district based on the number of students in that program at a rate of \$3,300 per student. The Academic Support grant is used to fund additional tutoring and support for High School students who are struggling with their performance on the MCAS assessment. Finally, the Special Education Reimbursement Grant, more commonly known as the Circuit Breaker grant is a reimbursement grant designed to reimbursement Massachusetts districts for high cost special education placements. A high cost placement is defined as one that costs over three times the statewide average per pupil expense for special education students. That amount is currently just over \$36,000 per year. The reimbursement rate historically has been 75% meaning the state pays \$0.75 of each dollar spent in excess of \$36,000 for an individual student. Unfortunately, due to the deteriorating state budget situation, that reimbursement rate was dropped to 40% for FY10 and FY11 and is expected to remain at that level in FY12. We are hopeful that with an improving state economy, that rate may recover somewhat to 60% in FY13.

The table below shows the number of FTE positions and the salary amounts currently funded through federal and state grants. The number of FTE positions funded through grants in FY12 is expected to decrease by 10.2 FTE's with the elimination of the ARRA stimulus funding and less than sufficient increases in the Title I and IDEA grants to fund the projected salary increases for current staffing charged to those grants.

Current and Projected Grant Funded Positions

<u>Grant</u>	<u>Position</u>	<u>FY11 FTE</u>	<u>FY11 Salary</u>	<u>FY12 FTE</u>	<u>FY12 FTE Reduction</u>	<u>FY12 Salary</u>	<u>FY12 Salary Difference</u>
Title I IDEA (P.L. 94-142)	Regular Education Teachers	1.5	78,409	1.0	(0.5)	57,710	(20,699)
	Special Education Team Chairs	4.0	296,047	4.0	-	300,488	4,441
Early Childhood ARRA IDEA	Special Education Teachers	13.0	763,202	12.0	(1.0)	740,331	(22,871)
	Pre-School Teacher	0.3	18,052	0.3	-	18,233	181
	Special Education Teachers	2.0	136,295	-	(2.0)	-	(136,295)
ARRA Early Childhood METCO	Special Education Paraeducators	0.8	16,445	-	(0.8)	-	(16,445)
	Occupational Therapy Assistants	0.5	16,384	-	(0.5)	-	(16,384)
	Pre-School Teacher	0.4	19,756	-	(0.4)	-	(19,756)
ARRA SFSF	Director	1.0	59,191	1.0	-	60,375	1,184
Teaching American History	Regular Education Tutors	4.0	79,612	-	(4.0)	-	(79,612)
	Computer Technician	1.0	21,923	-	(1.0)	-	(21,923)
	Director	1.0	82,400	1.0	-	84,500	2,100
Total		29.5	1,587,716	19.3	(10.2)	1,261,637	(326,079)

5.2 Special Revenue Funds

The district maintains thirty separate special revenue funds that were created and are maintained in accordance with the state's municipal finance laws as well as Department of Revenue and Department of Elementary and Secondary Education regulations. The monies that are deposited to these funds include school lunch receipts, user fee receipts, ticket sale revenues from athletic events and drama and musical performances, tuitions for full-day kindergarten, pre-school, summer school, and in-district special education programs offered to non-Reading students, as well as gifts and donations. Revenues from these revolving funds account for about 5% of the district's total expenditures on education. The table below shows the revenues, expenses, and changes in the fund balances between July 1, 2009 and June 30, 2010.

	<u>Balance</u> <u>1-Jul-09</u>	<u>FY10</u> <u>Revenues</u>	<u>FY10</u> <u>Expenditures</u>	<u>Balance</u> <u>30-Jun-10</u>	<u>Net</u> <u>Gain/(Loss)</u>
Revolving Fund:					
School Lunch Program	84,816	1,170,056	1,087,657	167,222	82,406
Athletic Activities	178,869	253,986	256,869	175,986	(2,883)
Guidance Revolving Fund	-	31,384	27,054	4,330	4,330
School Transportation	684	52,840	52,946	578	(106)
Drama - High School	59,372	82,186	82,801	58,756	(616)
Drama - Parker	9,012	15,495	10,254	14,253	5,241
After School - Parker	8,465	12,021	17,738	2,748	(5,717)
Extended Day	-	45,113	95	45,018	45,018
Drama - Coolidge	19,454	25,145	19,696	24,903	5,449
Adult Education	26,942	76,118	74,035	29,024	2,082
Summer School	48,052	19,514	19,358	48,207	155
RISE Pre-School	269,254	124,345	80,796	312,903	43,649
Use of School Property	160,383	169,810	125,263	204,967	44,584
Special Education Tuition	306,474	162,007	36,351	432,130	125,656
Full-Day Kindergarten Tuition	449,583	482,788	481,218	451,153	1,570
Lost Books	6,298	3,310	318	9,290	2,992
Elementary Science Materials	3,520	-	291	3,228	(292)
Burns Foundation (Coolidge)	6,957	-	1,477	5,480	(1,477)
Jump & Go BC/BS (Parker)	3,305	-	46	3,259	(46)
District Donation Fund	151	8,756	7,965	942	791
Barrows Donation Fund	250	1,515	200	1,565	1,315
Birch Meadow Donation Fund	50	15,831	8,360	7,521	7,471
Joshua Eaton Donation Fund	1,858	7,950	835	8,973	7,115
J.W. Killam Donation Fund	59	6,360	935	5,484	5,425
Wood End Donation Fund	2,968	2,160	2,401	2,726	(242)
Coolidge Donation Fund	655	24,459	10,681	14,434	13,779
Parker Donation Fund	1,258	15,955	5,566	11,647	10,389
High School Donation Fund	1,300	21,872	9,005	14,167	12,867
Special Education Donation Fund	3,000	3,000	2,665	3,335	335
Total - All Funds	1,652,989	2,833,976	2,422,876	2,064,229	411,240

As the table above indicates, there was a net gain of \$411,240 in our district's special revenue funds between July 1, 2009 and June 30, 2010. The majority of the net increase came from Special Education tuition, the School Lunch Program, the Extended Day Program, Use of School Property, and RISE Pre-School Tuitions. This was less than the net increase in fiscal year 2009 of \$586,853.

Below is a summary of the use of offsets and the revenue projections for Fiscal Year 2012. As the data indicates, based on current revenue projections and the proposed revenue offsets included in the FY12 Level Funded Budget, all of these funds would have a positive balance at years end. However, all of these funds, with the exception of Extended Day, would end the year with a net loss in fund balance as compared to FY2011. We would expect this trend to continue in FY13 and beginning with Fiscal Year 2014, we would anticipate that revenue fund balances would be nearly depleted and revenues received during the fiscal year would be the sole source of revenue support for that year's budget. As a result, the FY14 budget may need to be reduced by \$150,000 - \$200,000 unless additional revenues are generated through increased participation or increased tuitions and fees.

Use of Offsets and Revenue Projections for FY2012

Revenue Fund	Projected Balance 30-Jun-11	FY12 Budgeted (1) Offsets	FY12 Projected Revenue	FY12 Other Expense	Projected Balance 30-Jun-12	Net Gain/(Loss)
Extracurricular Activities	33,412	40,000	80,000	70,000	3,412	(30,000)
Athletics	176,365	250,000	220,000	5,000	141,365	(35,000)
Use of School Property	89,967	145,000	168,000	112,500	467	(89,500)
RISE Tuition	276,903	190,000	150,000	6,500	230,403	(46,500)
Special Education Tuition	419,130	185,000	150,000	38,500	345,630	(73,500)
Kindergarten Tuition	435,653	615,000	520,000	11,500	329,153	(106,500)
Summer School Tuition	37,707	10,000	19,000	19,500	27,207	(10,500)
Extended Day	37,473	10,000	400,000	360,000	67,473	30,000

(1) Represents amount used in Level Funded Budget

Appendix A: Tuition and Fee Schedules

Program Tuitions and User Fees

Tuition or Fee	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Transportation Fee (annual)	\$280	\$280	\$280	\$280	\$280	\$280	\$365	\$365
Family cap	\$450	\$450	\$450	\$450	\$450	\$450	\$600	\$650
Kindergarten Tuition (annual)	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,200	\$4,200
RISE Tuition (annual)								
2 Day (1/2 Day)	\$1,000	\$1,000	\$1,000	\$1,250	\$1,500	\$1,500	\$1,500	\$1,500
4 Day (1/2 Day)	\$2,000	\$2,000	\$2,000	\$2,500	\$3,000	\$3,000	\$3,000	\$3,000
3 Day (Full Day)							\$4,320	\$4,320
5 Day (Full Day)							\$6,360	\$6,360
Athletics User Fee (per season)	\$85	\$85	\$85	\$85	\$85	\$175	\$175	\$175
Individual cap	\$220	\$220	\$220	\$220	\$220	\$450	\$450	\$450
Family cap	\$440	\$440	\$440	\$440	\$440	\$750	\$750	\$750
HS Drama Fee (per season)	\$85	\$85	\$85	\$85	\$85	\$100	\$100	\$100
Individual cap	\$220	\$220	\$220	\$220	\$220	\$250	\$250	\$250
Family cap	\$440	\$440	\$440	\$440	\$440	\$450	\$450	\$450
HS Band Fee (per band activity)							\$175	\$175
Individual cap							\$450	\$450
Family cap							\$750	\$750
HS Xcurricular Activities (per year)	No fees charged						\$100	\$0
HS Fitness Center (per season)	No fees charged						\$35	\$0
MS Drama and Band Fee *	No fees charged						\$50	\$50

* Former MSXcurricular Fee now only applies to MS Drama and Band

Facility Rental Fees Schedule, 2011-12

Location	Reading N-Profit	Reading F-Profit Non-Reading N-Profit	Non-Reading F- Profit
	No Minimum	2-Hr. Minimum	4-Hr. Minimum
Auditoriums			
RMHS			
Performance	\$75.0	\$110.0	\$150.0
Rehearsal	\$25.0	\$45.0	\$55.0
Dressing Room	\$15.0	\$20.0	\$25.0
Access Lighting/ Sound Systems	\$25.0	\$45.0	\$55.0
Parker			
Performance	\$30.0	\$70.0	\$100.0
Rehearsal	\$15.0	\$25.0	\$35.0
Dressing Room (Band Rm)	\$10.0	\$15.0	\$20.0
Gymnasiums			
RMHS Field House (Main Floor)	\$50.0	\$110.0	\$130.0
Middle Schools	\$20.0	\$30.0	\$40.0
Elementary (Wood Floor)	\$15.0	\$25.0	\$35.0
Elementary (Alternate Surface)	\$10.0	\$20.0	\$30.0
Cafeterias			
RMHS	\$30.0	\$80.0	\$90.0
Middle Schools	\$15.0	\$40.0	\$50.0
Barrows & Wood End	\$12.0	\$30.0	\$40.0
Birch Meadow, Eaton, Killam	\$10.0	\$30.0	\$40.0
Multi Purpose Rooms			
RMHS Distance Learning Room	\$30.0	\$50.0	\$60.0
Coolidge Middle School	\$20.0	\$40.0	\$50.0
Parker Middle School	\$15.0	\$35.0	\$45.0
Computer Labs			
RMHS	\$40.0	\$55.0	\$75.0
Middle Schools	\$25.0	\$40.0	\$60.0
Classrooms			
RMHS	\$20.0	\$30.0	\$40.0
Middle	\$10.0	\$20.0	\$30.0
Elementary	\$5.0	\$15.0	\$25.0
RMHS Fields			
Stadium	\$75.0	\$150.0	\$200.0
Track, Press Box, or Score Board	\$25.0	\$50.0	\$75.0
Stadium Lights	\$30.0	\$40.0	\$50.0
Game Administrator	\$35.0	\$50.0	\$65.0
Exterior Bathroom	\$20.0	\$35.0	\$50.0
Practice Field	\$40.0	\$80.0	\$120.0
Practice Field Lights	\$25.0	\$30.0	\$40.0
Custodial and Kitchen Staff Fees			
Weekday Custodial (2hr min.)	\$32.0	\$32.0	\$32.0
Weekend Custodial (3hr min.)	\$36.0	\$36.0	\$36.0
Holiday Custodial (3hr min.)	\$50.0	\$50.0	\$50.0
Weekday Kitchen (2hr min.)	\$27.0	\$27.0	\$27.0
Weekend Kitchen (2hr min.)	\$30.0	\$30.0	\$30.0
Holiday Kitchen (2hr min.)	\$35.0	\$35.0	\$35.0
Projection Device / Computer Rental			
HS Auditorium (includes req'd technician)	\$50.0	\$75.0	\$125.0
HS or MS Classroom (installed technology)	\$15.0	\$20.0	\$30.0
MS/ ES Auditorium/ Cafe/ MPR (portable)	\$10.0	\$15.0	\$25.0
Technology Staff (as determined by IT Director)	\$20.0	\$20.0	\$20.0

Appendix B: School Committee Policies on Budget and Finance

File: DA

FISCAL MANAGEMENT GOALS

The quantity and quality of learning programs are directly dependent on the effective, efficient management of allocated funds. It follows that achievement of the school system's purposes can best be achieved through excellent fiscal management.

As trustee of local, state, and federal funds allocated for use in public education, the Committee will fulfill its responsibility to see that these funds are used wisely for achievement of the purposes to which they are allocated.

Because of resource limitations, there is sometimes a temptation to operate so that fiscal concerns overshadow the educational program. Recognizing this, it is essential that the school system take specific action to make sure education remains central and that fiscal matters are ancillary and contribute to the educational program. This concept will be incorporated into Committee operations and into all aspects of school system management and operation.

In the school system's fiscal management, it is the Committee's intent:

1. To engage in thorough advance planning, with staff and community involvement, in order to develop budgets and to guide expenditures so as to achieve the greatest educational returns and the greatest contributions to the educational program in relation to dollars expended.
2. To establish levels of funding that will provide high quality education for the students.
3. To use the best available techniques and technology for budget development and management as well as for financial processes, procedures and analysis
4. To provide timely and appropriate information to all staff with fiscal management responsibilities.
5. To establish maximum efficiency procedures for accounting, reporting, business, purchasing and delivery, payroll, payment of vendors and contractors, and all other areas of fiscal management.

Adopted by the Reading School Committee on September 28, 2006

ANNUAL BUDGET

The annual budget is the financial expression of the educational mission and program of the school department.

The budget then is more than just a financial instrument and requires on the part of the Committee, the staff, and the community orderly and cooperative effort to ensure sound fiscal practices for achieving the educational mission, goals, and objectives of the school system.

Public school budgeting is regulated and controlled by legislation, state regulations, and local School Committee requirements. The operating budget for the school system will be prepared and presented in line with state policy and will be developed and refined in accordance with these same requirements.

The Superintendent will serve as budget officer but he/she may delegate portions of this responsibility to members of his/her staff as he/she deems appropriate. The three general areas of responsibility for the Superintendent as budget officer will be budget preparation, budget presentation, and budget administration.

Adopted by the Reading School Committee on September 28, 2006

LEGAL REFS: M.G.L. 15:1G; 71:38N; 71:59

BUDGET DEADLINES AND SCHEDULES

Preparation of the annual budget will be scheduled in stages throughout the school year with attention to certain deadlines established by law and charter.

In accordance with Massachusetts General Law, the School Committee will hold a public hearing on a proposed budget before it takes a final vote on a proposed budget.

Adopted by the Reading School Committee on September 28, 2006

LEGAL REFS: M.G.L. 71:38N
 Town Charter

BUDGET PLANNING

The major portion of income for the operation of the public schools is derived from local property taxes, and the School Committee will attempt to protect the valid interest of the taxpayers. However, the first priority in the development of an annual budget will be the educational welfare of the children in our schools.

Budget decisions reflect the attitude and philosophy of those charged with the responsibility for educational decision making. Therefore, a sound budget development process must be established to ensure that the annual operating budget accurately reflects this school system's goals and objectives.

In the budget planning process for the school system, the School Committee will strive to:

1. Engage in thorough advance planning, with staff and community involvement, in order to develop budgets and guide expenditures in a manner that will achieve the greatest educational returns and contributions to the educational program in relation to dollars expended.
2. Establish levels of funding that will provide high quality education for all our students.
3. Use the best available techniques and technology for budget development and management.

The Superintendent will have overall responsibility for budget preparation, including the construction of, and adherence to, a budget calendar.

Adopted by the Reading School Committee on September 28, 2006

BUDGET ADOPTION PROCEDURES

Authority for adoption of the final school budget lies with the Town Meeting.

The fiscal year shall begin on the first day of July and shall end on the thirtieth day of June, unless another provision is made by general law.

The General Laws of the Commonwealth of Massachusetts also establish the following procedures pertaining to the School Committee budget:

Public Hearing by School Committee - As per Chapter 71 Section 38N of the General Laws. "The School Committee of each city, town or regional school district shall hold a public hearing on its proposed annual budget not less than seven days after publication of a notice thereof in a newspaper having general circulation in such city, town or district. Prior to such public hearing said Committee shall make available to the public at least one copy of said proposed budget for a time period of not less than forty-eight hours either at the office of the Superintendent of Schools or at a place so designated by said Committee. At the time and place so advertised or at any time or place to which such hearing may from time to time be adjourned all interested persons shall be given an opportunity to be heard for or against the whole or any part of the proposed budget. Such hearing shall be conducted by a quorum of the School Committee. For the purposes of this section a quorum shall consist of a majority of the members of said School Committee."

Adopted by the Reading School Committee on September 28, 2006

LEGAL REFS: M.G.L. 71:34