

MANCHESTER SCHOOL DISTRICT

FY05 BUDGET

MARCH 4, 2004



Manchester School District Accomplishments 2002-2004

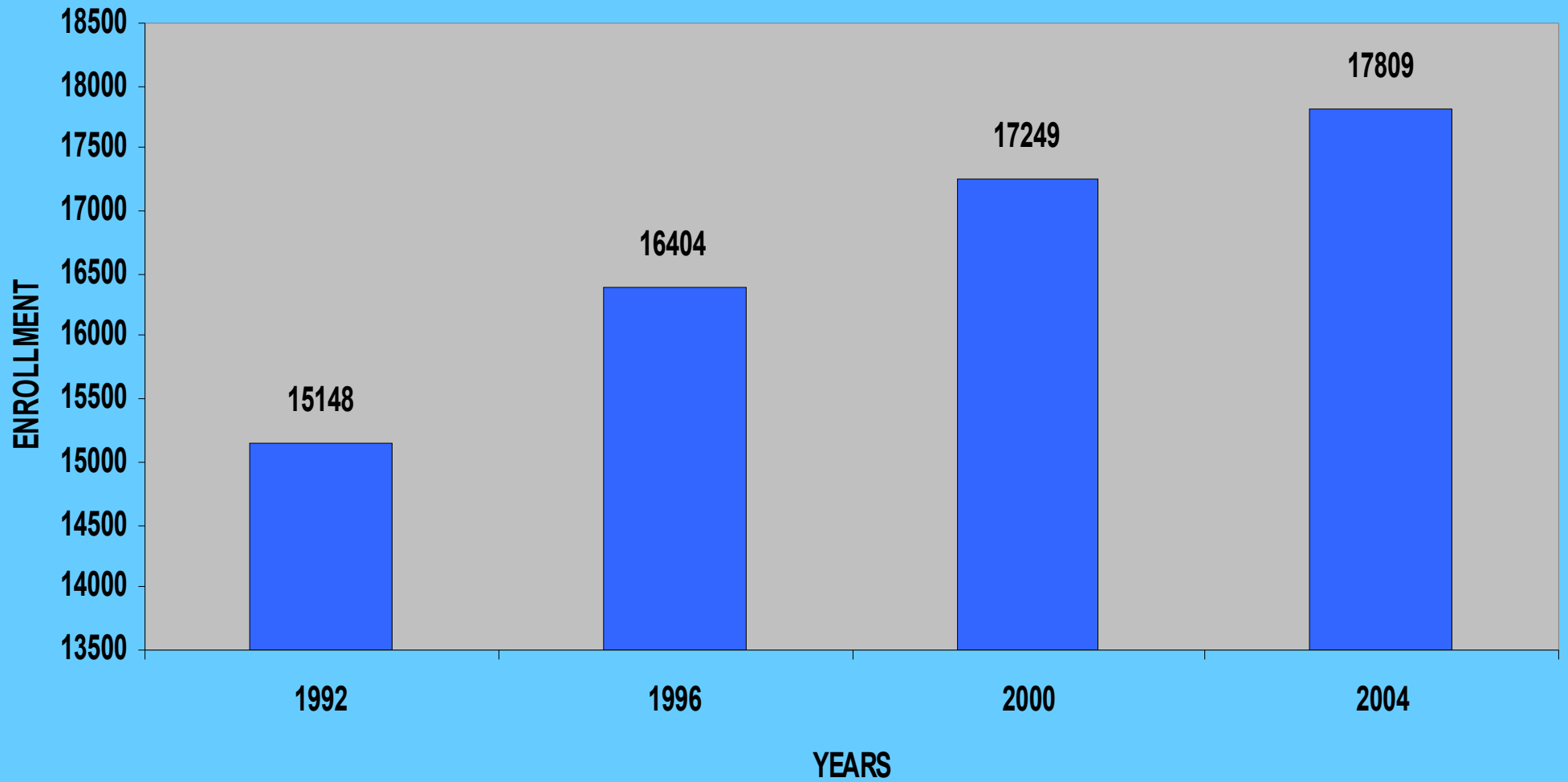
- Elimination of Deficit
- Reduction in Drop Out Rate
- Implementation of Curriculum Review Cycle
- Alternative Education Programs
- No Schools on “Need For Improvement” List
- Positive Labor Relations

Manchester School District Goals 2005-2006

- Complete Design/Build
- Comply with NCLB
 - Highly Qualified Teachers and Paraprofessionals
 - Student Achievement
- Continue to reduce drop out rate
- Negotiate 3-year Contracts with Teachers/Principals/Support Staff
- Complete Elementary School Study
- Maintain Fiscal Accountability

HISTORICAL ENROLLMENT 1992-2004

HISTORICAL ENROLLMENT 1992-2004



STATUS OF MANCHESTER GRADUATING CLASS OF 2003

SCHOOL	2003 GRADS	POST SECONDARY		MILITARY		WORK FORCE	
		#	%	#	%	#	%
CENTRAL	470	320	68%	21	4%	129	27%
MEMORIAL	390	261	67%	16	4%	113	29%
WEST	429	330	77%	9	2%	90	21%
TOTALS	1289	911	71%	46	4%	332	26%

STATUS OF OTHER N.H. CITIES GRADUATING CLASS OF 2003

CITY	2003 GRADS	POST SECONDARY		MILITARY		WORK FORCE	
		#	%	#	%	#	%
NASHUA	728	524	72%	29	4%	175	24%
PORTSMOUTH	235	162	69%	7	3%	66	28%
CONCORD	357	307	86%	14	4%	36	10%
ROCHESTER	301	235	78%	12	4%	54	18%
KEENE	366	245	67%	11	3%	110	30%

Drop Out Prevention

SCHOOL	2001-2002 SCHOOL YEAR		2002-2003 SCHOOL YEAR		AS OF March 1st 2004	
	# of students	% of enroll.	# of students	% of enroll.	# of students	% of enroll.
Central	160	6.75%	170	7.1%	94	3.9%
Memorial	114	5.64%	71	3.25%	38	1.7%
West	128	6.42%	97	4.58%	50	2.36%
TOTALS	402		338		182	

Student Profile

	<u>Elementary</u>	<u>Middle</u>	<u>High</u>	<u>Totals</u>		% of Total Enrollment
Enrollment	7,250	3,704	6,755	17,709		
Special Education	1,173	697	741	2,611	*	15%
ESOL/ELL	1,002	403	363	1,768		10%
Homeless	108	38	44	190		1%
Free & Reduced Lunch	2,901	1,364	1,039	5,304		30%

* The district expects to provide services to about 3,000 students with educational disabilities.

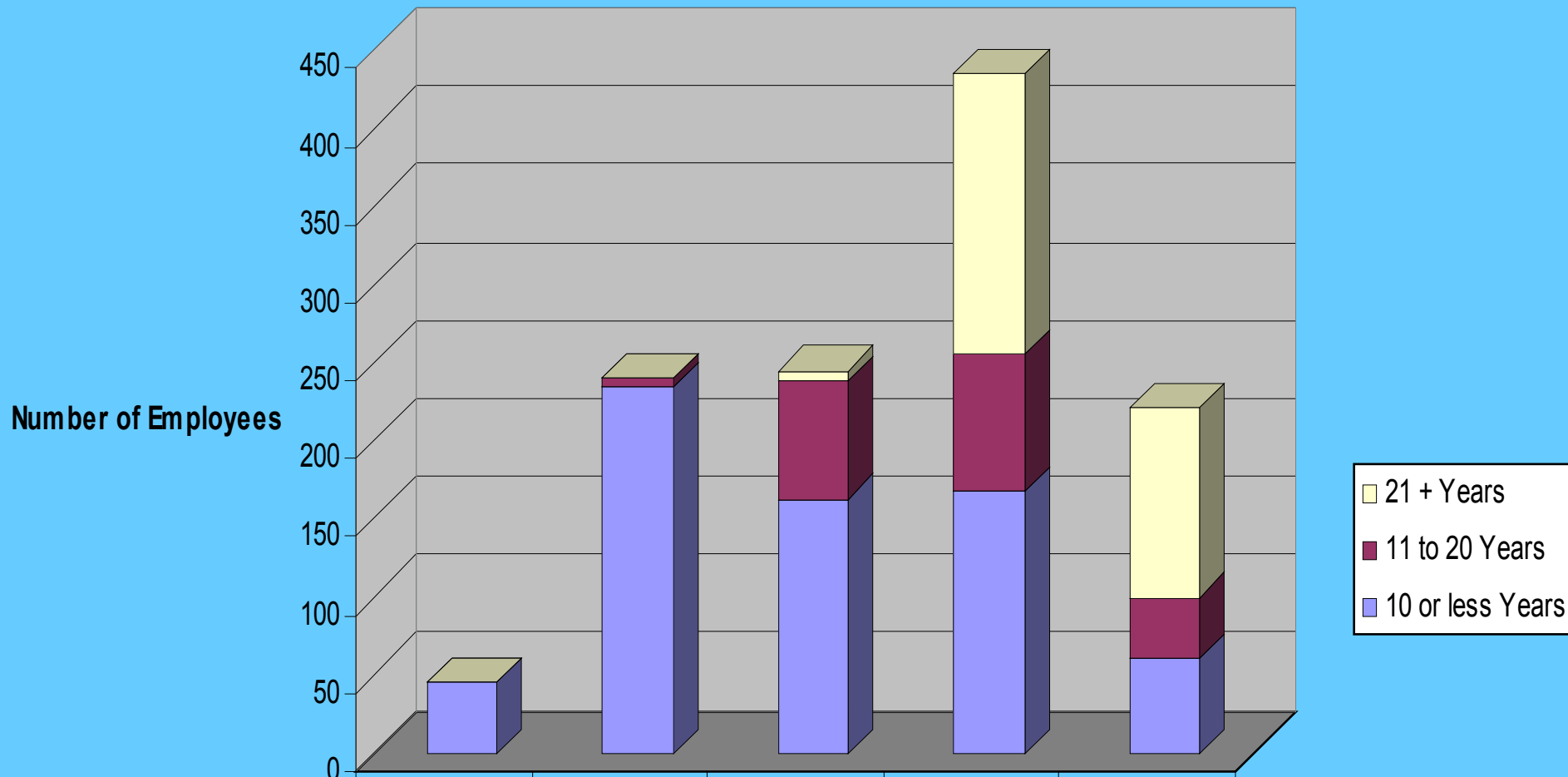
HIGH SCHOOL CLASS SIZE

SUBJECT	CENTRAL		MEMORIAL		WEST			Total
	Average	Over 30	Average	Over 30	Average	Over 30		Over 30
English	24	4	25	19	23	11		34
Foreign Language	24	2	21	8	22	0		10
Social Studies	23	4	27	28	25	16		48
Science	22	0	24	8	22	0		8
Math	23	3	25	13	22	13		29
Total Averages	23.16	13	24.22	76	22.80	40		129

PROJECTED CLASSES IN EXCESS OF STATE STANDARDS

<u>SCHOOL</u>	<u>GRADE LEVEL</u>	<u>AVERAGE CLASS SIZE</u>
Beech Street	4th	33
Gossler Park	K	26
Green Acres	5th	36
Hallsville	5th	32
Jewett St.	2nd	26
Northwest	3rd	31
	5th	31
Smyth Road	2nd	26
Wilson	1st	26

Teacher Profile



	Under 25	26 to 35	36 to 45	46-55	55 and older
21 + Years	0	0	6	180	122
11 to 20 Years	0	7	76	88	39
10 or less Years	46	234	163	167	61

Age Groups

Teacher Salaries for Fiscal Year 2003-2004

School District	Bachelor's Minimum	Bachelor's Maximum	Master's Minimum	Master's Maximum	CAGS Minimum	CAGS Maximum
Concord	\$29,757	\$52,373	\$32,733	\$57,729	\$34,518	\$59,514
Derry	\$28,847	\$46,784	\$33,089	\$53,665	\$36,346	\$58,948
Goffstown	\$27,169	\$48,977	\$29,071	\$51,411	\$31,008	\$53,847
Hudson	\$27,728	\$50,410	\$28,790	\$51,504	\$29,853	\$52,597
Londonderry	\$28,292	\$40,662	\$29,663	\$56,867	\$30,824	\$58,027
Manchester	\$28,656	\$51,122	\$32,094	\$54,599	\$34,960	\$57,426
Merrimack	\$30,025	\$50,640	\$32,225	\$52,940	\$34,425	\$55,240
Nashua	\$29,800	\$52,007	\$33,200	\$55,751	\$34,900	\$57,624
Portsmouth	\$28,375	\$46,853	\$32,783	\$51,761	\$34,786	\$53,764
Rochester	\$28,784	\$44,939	\$31,648	\$47,804	\$33,865	\$50,143
Salem	\$29,170	\$49,191	\$32,906	\$55,495	\$35,658	\$60,139
Manchester Ranking	7th	3rd	7th	5th	3rd	6th

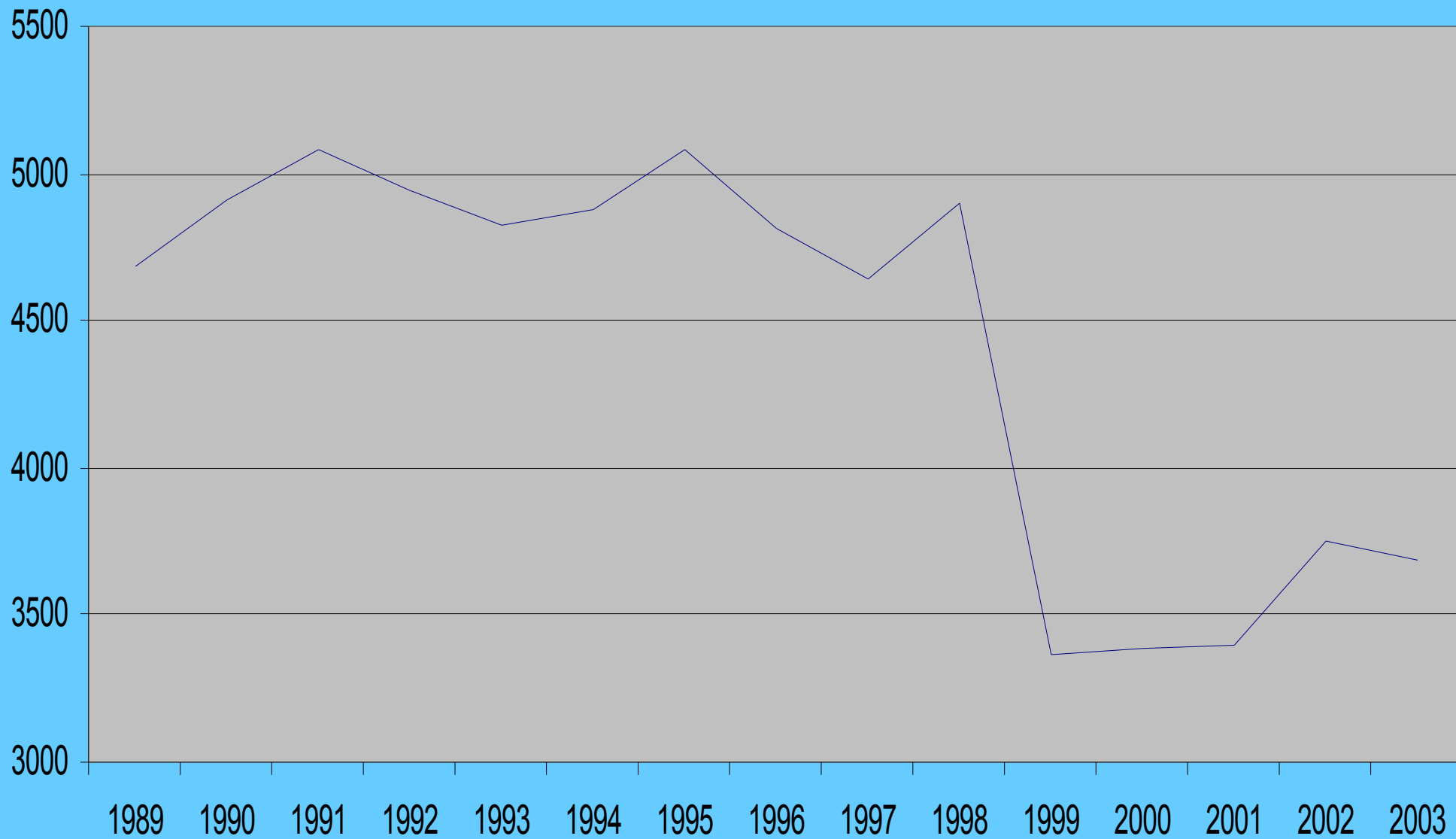
Operating Cost Per Pupil

	<u>1998-99</u>	<u>1999-00</u>	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>
State Average	\$ 6,009	\$ 6,357	\$ 6,738	\$ 7,233	\$ 7,800
Manchester	\$ 5,098	\$ 5,665	\$ 5,715	\$ 6,202	\$ 6,545
Manchester/State Average	85%	89%	85%	86%	84%
Rank from Bottom	6/74	10/74	4/74	5/74	N/A
Districts with HS					

Municipal School Equalized Tax Rates

	<u>98/99</u>	<u>99/00</u>	<u>00/01</u>	<u>01/02</u>	<u>02/03</u>
<u>City-County:</u>					
State Average	\$8.10	\$7.83	\$7.13	\$6.84	\$6.20
Manchester	\$13.34	\$14.98	\$12.50	\$11.51	\$9.81
<u>School:</u>					
State Average	\$16.77	\$13.21	\$13.00	\$12.37	\$11.54
Manchester	\$17.51	\$11.15	\$10.32	\$9.71	\$9.36
<u>Manchester/State Avg.:</u>					
City-County	165%	191%	175%	168%	158%
School	104%	84%	79%	78%	81%

Manchester Property Taxpayers Payment per Student (2003 Dollars)



Major Cost Categories

	Through February		
	FY04		FY03
Salaries	\$ 44,878		\$ 43,295
Benefits	13,544		13,414
Debt Service	5,999		6,214
City Services	3,863		3,079
Tuition	2,900		2,804
Transportation	2,421		2,232
Utilities	1,355		994
Subtotal **	\$ 74,960		\$ 72,032
Textbooks	852		579
Supplies	566		759
Equipment	257		99
Other	2,009		1,969
Total Expenditures	\$ 78,644		\$ 75,438

** Represents 95% of total expenditures in each period.

Expenditure Overview (in thousands)

Proposed 2005 Budget*				\$140,820	
Approved 2004 Budget				127,075	
Increase Before Capital Tuition				\$13,745	10.8%
Increase After Capital Tuition*				\$9,676	7.6%
Causals:					
Design/Build Debt Service*				\$5,254	4.1
Step Increases (Teachers/MESPA)				1,300	1.0
29 New Positions (Salary only)				1,000	0.8
2005 Salary Increases & Other				2,150	1.7
Benefits				2,050	1.6
Building Maintenance				1,232	0.9
Other City Services				520	0.5
All other - net				239	0.2
Total				\$13,745	10.8

* The expenditure estimate for FY 2005 of \$140,820,000 has not been reduced by the \$3,169,000 of capital tuition paid by Hooksett/Candia/Auburn/Bedford. Tuition is shown as a revenue item rather than as a reduction to expenditures. Our 2005 revenue estimate also includes \$900,000 of capital tuition received in fiscal 2004. The increase in FY 05 expenditures would be \$9.7 million, or 7.6%, if these tuition items served to reduce expenditures.

Expenditures

	F Y 0 5 B u d g e t				FY04
	Core	Special			
Account Name	Programs	Education	Athletics	Total	Projection
Salaries	\$ 58,981,639	\$ 14,969,130	\$ 597,440	\$ 74,548,209	\$ 69,500,933
Employee Benefits	18,976,083	4,745,214	71,693	23,792,990	21,611,487
Professional Services	231,500	764,600	3,900	1,000,000	953,782
Transportation	2,131,483	2,364,425	115,000	4,610,908	4,331,067
Tuition	-	6,343,338		6,343,338	6,267,300
General Supplies	464,372	68,250	140,000	672,622	683,681
Utilities	2,249,128		28,000	2,277,128	2,058,213
Books/Subscriptions	729,500	25,000		754,500	952,198
School Technology	260,000			260,000	200,000
On-going Support & Services	127,483			127,483	150,000
Building Maintenance	6,184,000			6,184,000	4,952,617
Other City Services	3,016,433		445,459	3,461,892	2,963,428
Debt Service	14,038,473		104,242	14,142,715	9,538,041
Maintenance Projects	100,000			100,000	477,405
Expendable Trusts	100,000	50,000	25,000	175,000	175,000
All Other	2,009,805	87,829	272,366	2,370,000	2,034,673
Total Expenditures	\$ 109,599,899	\$ 29,417,786	\$1,803,100	\$ 140,820,785	\$126,849,825
Budget	\$ 109,599,899	\$ 29,417,786	\$1,803,100	\$ 140,820,785	\$127,075,275

City Services

	FY05		FY04		% Increase
<u>Department</u>	<u>Budget</u>		<u>Budget</u>		<u>(Decrease)</u>
Health	\$ 1,472,813		\$ 1,310,157		12%
Highway	321,228		312,532		3%
Building Maintenance	6,184,000		4,952,617		25%
Parks & Recreation	663,459		644,702		3%
Police Department	644,592		502,023		28%
Risk Management	275,000		112,014		146%
Other	84,800		82,000		3%
TOTAL	\$ 9,645,892		\$ 7,916,045		22%

New Positions

			Elementary		Middle		High		District		Total
General Education			9	*	-		6		1		16
Special Education (mandated IDEA)			2		4		1		2		9
ESOL/ELL (OCR compliance)			1		-		-		-		1
Support			1		-		-		2		3
			13		4		7		5		29
* Includes 2 Unified Arts Teachers K-5 (District-wide) to meet contractual obligations.											

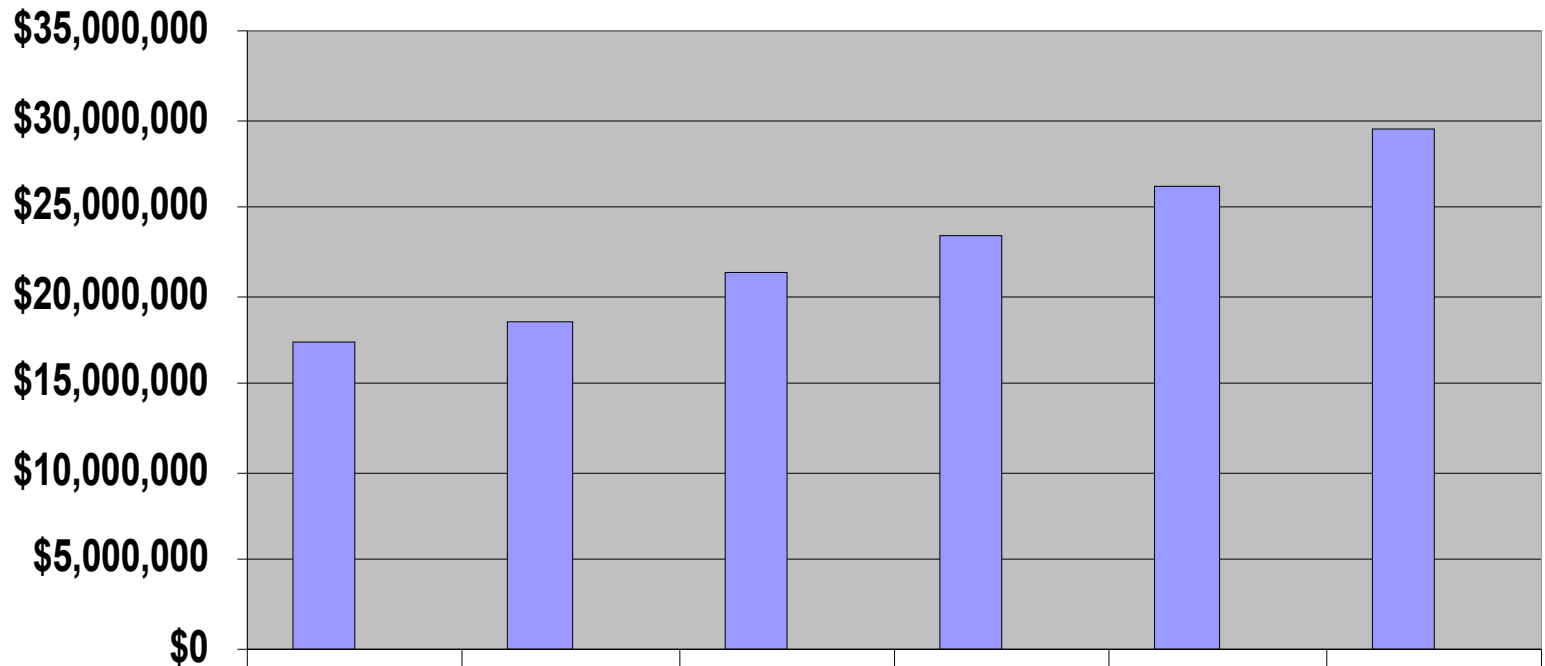
General Fund Revenues

Revenues	FY05 Budget	FY 04 Anticipated	FY 03 Actual
Adequate Education Grant	45,121,313	45,567,271	42,473,084
School Building Aid	334,422	334,422	332,922
Area Vocational School	310,000	309,433	305,110
Catastrophic Aid	780,740	780,741	804,320
Total State Revenues	46,546,475	46,991,867	43,915,436
ROTC	52,173	50,900	56,700
Medicaid	1,500,000	1,400,000	1,468,008
Total Federal Revenues	1,552,173	1,450,900	1,524,708
Tuition-Operating	12,550,000	12,453,412	12,025,974
Tuition-Capital Cost	3,169,000	0	0
Pupil Activities (Athletics)	65,000	59,001	58,398
Interest Income	110,000	85,000	129,158
Impact Fees	0	175,000	175,000
Indirect Cost	150,000	120,000	105,253
Transfers from City	900,000	*	500,000
Misc. Other Sources	46,000	46,000	46,242
Total Local Revenues	16,990,000	13,438,413	12,540,025
State Tax	27,840,016	27,840,016	29,155,221
Local Tax	47,892,122	37,418,121	34,512,636
Total Taxes	75,732,138	65,258,137	63,667,857
Total General Fund	140,820,785	127,139,317	121,648,026

* Transfer of \$900,000 capital tuition payment received in FY04.

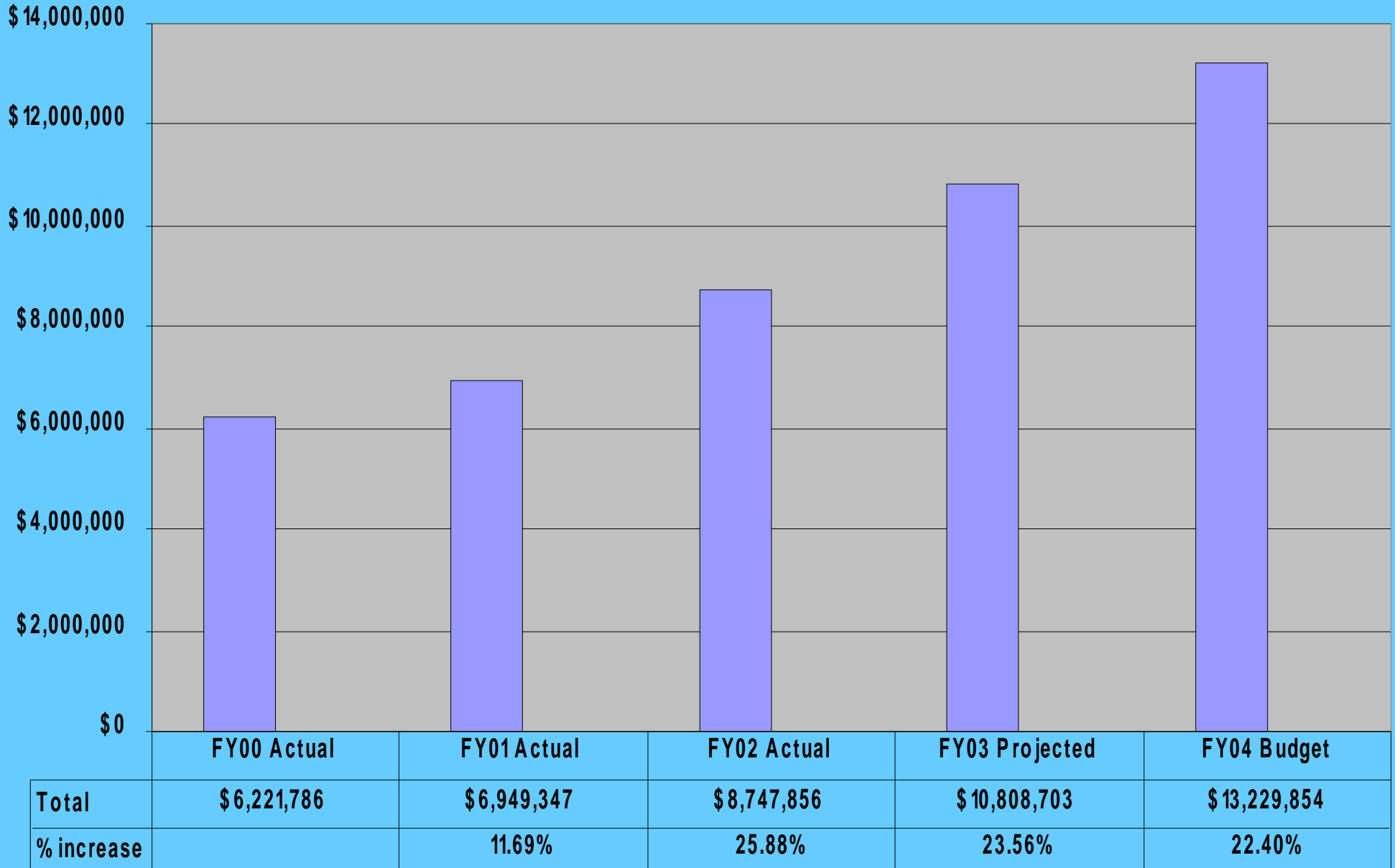
Special Education Costs in General Fund (Local Funding)

Special Education Costs in General Fund (Local Funding)



	FY00 Actual	FY01 Actual	FY02 Actual	FY03 Actual	FY04 Projected	FY05 Budget
Total Special Ed in General Fund (Local Funding)	\$17,315,083	\$18,541,604	\$21,372,277	\$23,435,962	\$26,239,433	\$29,417,786
% of Special Ed to Total General Fund	17.07%	17.96%	19.16%	20.55%	20.65%	20.89%

Health Insurance



Food & Nutrition Services

		FY05	FY04	FY04
Description		Budget	Budget	Projected
REVENUES				
Federal Reimbursement		\$ 2,042,120	\$ 1,943,000	\$1,912,305
State Reimbursement		70,000	68,000	67,754
Lunch, Brkfast, Milk Sales		1,554,000	1,440,000	1,443,717
Snack Bars		1,253,650	1,172,000	1,174,191
Miscellaneous Revenues		37,500	27,750	34,662
USDA Commodities		205,000	200,000	171,315
Transfers from GF		-	-	-
TOTAL REVENUES		\$ 5,162,270	\$ 4,850,750	\$4,803,944
EXPENSES				
Salaries		\$ 1,737,500	\$ 1,664,000	\$1,605,709
Benefits		435,000	326,000	398,833
Professional Services		30,000	25,000	25,000
Contract Work		15,000	15,500	15,297
Equipment Repair		40,000	48,750	44,962
Motor Vehicle Maintenance		4,000	7,000	3,017
Warehouse Rental		20,000	19,500	19,493
Telephone		5,100	6,000	2,706
Freight		16,350	16,350	13,528
Travel/Conference Fees		1,100	1,100	1,100
Gas/Mileage Allowances		1,700	1,500	1,484
Supplies		215,000	192,000	211,268
Food		2,386,000	2,274,850	2,283,133
USDA Commodities		205,000	200,000	171,315
Gas/Oil		2,900	3,200	2,924
Equipment		47,620	50,000	3,127
TOTAL EXPENSES		\$ 5,162,270	\$ 4,850,750	\$4,802,896
EARNINGS (DEFICIT)		\$ -	\$ -	\$ 1,048
OPERATING FUND BALANCE		\$ 9,881	\$ 8,833	\$ 9,881

Summary

This budget process has been thorough.

We have addressed Manchester's educational challenges in a direct and forthright manner.

We recognize our dual responsibilities:

1. Provide adequate and appropriate educational opportunities and programs
2. Allocate limited resources prudently and effectively

This budget proposal meets these responsibilities.

We welcome your input, advice and questions.