

CLERK OF THE SCHOOL COMMITTEE  
WORCESTER PUBLIC SCHOOLS  
20 IRVING STREET  
WORCESTER, MASSACHUSETTS 01609

AGENDA #2

The School Committee will hold a regular meeting:

on: Thursday, January 20, 2011  
at: 6:00 p.m. - Executive Session  
7:00 p.m. – Regular Session  
in: Council Chamber, City Hall

ORDER OF BUSINESS

ACTION

I. CALL TO ORDER – REGULAR MEETING

INVOCATION - Reverend Edward D. Niccolls  
St. Christopher Church

PLEDGE OF ALLEGIANCE/NATIONAL ANTHEM

II. ROLL CALL

III. APPROVAL OF RECORDS

aor #1-2 - Clerk  
(January 14, 2010)

To consider approval of the Minutes of the School Committee Meeting of Thursday, January 6, 2010.

IV. MOTION FOR RECONSIDERATION - NONE

V. IMMEDIATE ACTION - NONE

"The Worcester Public Schools is an Equal Opportunity/Affirmative Action Employer/Educational Institution and does not discriminate regardless of race, color, gender, age, religion, national origin, marital status, sexual orientation, disability, or homelessness. The Worcester Public Schools provides equal access to employment and the full range of general, occupational and vocational education programs. For more information relating to Equal Opportunity/Affirmative Action contact Stacey DeBoise Luster, Human Resource Manager, 20 Irving Street, Worcester, MA 01609. 508-799-3020."

VI. REPORT OF THE SUPERINTENDENT

ros #1-1 - Administration  
(January 11, 2011)

PROGRESS REPORT ON DISTRICT INITIATIVES

VII. COMMUNICATIONS AND PETITIONS - NONE

VIII. REPORT OF THE STANDING COMMITTEE - NONE

IX. PERSONNEL

1-5 The Superintendent has APPROVED the APPOINTMENT of the persons named below to the position of teacher:

Dietsche, Amelia, Elementary, Burncoat Elementary, BA Step 3, \$45,932. Licensed Early Childhood Prek-2.

ACTION

**Annex A (1 page)**

X. GENERAL BUSINESS

gb #1-17.1 - Administration/Miss Biancheria/Mr. O'Connell  
(January 13, 2011)

Response of the Administration to the request to prepare a report regarding in-state and out-of-state travel for the period from July – December 2010 to encompass any and all funding mechanisms to include conferences, professional development and other travel.

**Annex A (1 page)**

gb #1-18.1 - Administration/Miss Biancheria  
(January 13, 2011)

Response of the Administration to the request to provide a report containing a summary of the community input section from the surveys and the number of individuals who attended each Listening and Learning Session from April 26 – May 4, 2010.

**Annex A (2 pages)**

**Annex B (1 page)**

gb #1-20 - Administration  
(January 10, 2011)

To accept a donation in the amount of \$5,000 from the National Association of Secondary Principals for Worcester Technical High School in recognition of its selection as an NASSP Breakthrough School.

gb #1-21 - Administration  
(January 10, 2011)

To accept a donation in the amount of \$5,000 from the American Antiquarian Society, which was presented to Worcester Technical High by the City Manager, for the outstanding work on holiday decorations in downtown Worcester by the welding, sheet metal and electrical students.

gb #1-22 - Mr. Monfredo/Mr. O'Connell/Miss Biancheria  
(January 10, 2011)

Request that the School Committee forward congratulatory letters to the following students at Burncoat Middle School for their recognition as winners, who were chosen from entries received across the United States and Canada, in the Scientific Learning Fast for Word Program:

- Brianna Martocchio, first place winner
- Andresito Germosen, third place winner

GENERAL BUSINESS (continued)

ACTION

gb #1-23 - Mr. O'Connell/Miss Biancheria/Mr. Monfredo  
(January 10, 2011)

Request that the Administration provide an update, to include a timeframe, for plans to install security cameras at South High Community School.

gb #1-24 - Miss Biancheria/Mr. O'Connell  
(January 11, 2011)

Request that the Administration provide a report regarding adjustments or additional transportation services provided to students to include a list of expenses and exceptions as to students who reside two miles or more from the school they are entitled to attend.

gb #1-25 - Miss Biancheria/Mr. Monfredo/Mr. O'Connell  
(January 11, 2011)

Request that the Administration provide a calendar of events for February and March which will take place in our schools and in the community to promote career and technical education.

gb #1-26 - Miss Biancheria/Mr. Foley/Mr. Monfredo/Ms. Novick/  
Mr. O'Connell/Mayor O'Brien  
(January 11, 2011)

Request that the Administration and School Committee forward a letter of appreciation to Dr. Leonard Morse for his years of outstanding service as the Public Health Commissioner for the City of Worcester. It was further requested that the Administration and School Committee forward a letter of congratulations to Dr. B. Dale Magee for his appointment as Public Health Commissioner for the City of Worcester.

gb #1-27 - Mr. Monfredo/Ms. Novick/Mr. O'Connell  
(January 12, 2011)

Request that the Administration provide a progress report for 2010 regarding training in CPR/AED and to include possible expansion plans.

GENERAL BUSINESS (continued)

ACTION

gb #1-28 - Mr. Monfredo/Mr. O'Connell  
(January 12, 2011)

**Annex A (2 pages)**

Request that the Administration review the district policy for keeping open and maintaining cleanliness in school restroom facilities.

gb #1-29 - Administration  
(January 13, 2011)

**Annex A (1 page)**

**Annex B (2 pages)**

**Annex C (6 pages)**

To consider a reduction of \$362,251 in the FY11 Budget resulting from the final state calculations for charter school tuition and reimbursements and local contribution and approve the FY11 Budget in the amount of \$260,047,012.

gb #1-30 - Administration  
(January 13, 2011)

To consider improvement to the Tentative Learning Collaborative (TLC) which would result in expansion of services to students.

gb #1-31 - Administration  
(January 13, 2011)

To consider improvement to the alternative programs which would result in expansion of services to students.

gb #1-32 - Administration  
(January 14, 2011)

To discuss strategy with respect to collective bargaining or litigation if an open meeting may have a detrimental effect on the bargaining or litigating position of the governmental body, to conduct strategy sessions in preparation for negotiations with nonunion personnel, to conduct collective bargaining sessions or contract negotiations with nonunion personnel.

XI. ADJOURNMENT

Helen A. Friel, Ed.D.  
Clerk of the School Committee

## Progress Report on District Initiatives

### Innovation Schools

The Process, Results, and Next Steps.

### Level 4 Schools

Approval of the Superintendent's Turnaround Plan  
Quarterly Progress Monitoring Meetings  
Redesign Plan Process and Federal Grant Application

### Promise Neighborhood Grant

District Participation and Intended Results

### Literacy Design Collaborative

Partnership with Clark University and Focus on Results  
Sixth Grade Module Selected for Publication as an Exemplar  
Interest in Replicating Coaching Model in Other Districts

### Focus On Results

Success of School Visits  
Coaching Model Success  
Student Results

**WORCESYER PUBLIC SCHOOLS  
COST OF TRAVEL JULY 2010 - DECEMBER 2010  
FROM FY11 WPS FUNDING SOURCES**

Date of Travel	No. of Travelers	Location	Purpose of Travel	Hotel Cost	Airfare	Food/Parking/ etc	Total Paid WPS	Funding Source
July 13-15, 2010	1	Falmouth	MASS Executive Institute	\$691.11	n/a	\$14.88	\$705.99	In-State Travel
July 15-16, 2010	66	Boston	Focus on Results	\$11,995.19	n/a	\$3,821.45	\$15,816.64	Staff Development
July 18-25, 2010	1	Orlando	AYES & NACAT conference	\$610.40	\$372.40	\$612.79	\$1,595.59	Perkins/Tech High
July 25-30, 2010	19	Chicago	AVID training	see note 1	see note 1	\$1,579.73	\$1,579.73	AVID grant
August 1-6, 2010	1	Cambridge	Special Education Training	\$967.10	n/a	\$0.00	\$967.10	Federal Grant (IDEA)
September 17-21, 2010	2	San Diego	HACU Recruitment Conference	\$1,673.74	\$713.50	\$449.12	\$2,836.36	Federal Grant (Title I/Title II)
October 3-5, 2010	1	Washington DC	Citizenship and Integration Grant Training	\$737.38	\$824.40	\$0.00	\$1,561.78	Citizenship and Integration Grant
November 3-6, 2010	1	Hyannis	MASC/MASS Joint Conference	\$358.56	n/a	\$0.00	\$358.56	In-State Travel
November 7-11, 2010	1	Chicago	AAEE/IAEE Conference	\$0.00	\$0.00	\$0.00	\$0.00	Private Pay (Eagle Hill)
November 14-17, 2010	1	Seattle	Int'l Bullying Prevention Assoc.	\$0.00	\$0.00	\$0.00	\$0.00	Private Pay (Committee for Children)
December 6-8, 2010	1	Nashua NH	Head Start Conference	\$200.00	\$48.00	\$60.00	\$308.00	Head Start
December 8-11, 2010	4	Dallas	AVID conference	\$0.00	\$0.00	\$0.00	\$0.00	Private Pay (WEDF)
<b>TOTALS</b>				<b>\$17,233.48</b>	<b>\$1,958.30</b>	<b>\$6,537.97</b>	<b>\$25,729.75</b>	

Note 1: Hotel and airfare paid by WEDF

Community Meetings – April and May 2010  
Summary of Participant Comments

Level 4 Meetings – Chandler and Union Hill Elementary Schools

1. The teaching staff is recognized as a strength in the schools, highlighting dedication and willingness to help children and families.
2. Participants value high expectations for all students
3. Academic and Social-emotional supports are important for student success.
4. Learning opportunities beyond the school day are valued, including after-school Saturday programming, and Summer School.
5. Students' needs are the focus of the school.
6. Challenges needing attention include facilities, parent education, and parental involvement.
7. Participants would like to see stronger community partnership and school-home connections, including home visits.
8. Student supports should be tailored to the needs of individuals.
9. More instructional materials are needed to support effective teaching and learning.
10. Mutual accountability is needed to ensure success.

Innovation Schools – South Quadrant conducted at Sullivan Middle School and Gates Lange Elementary School

1. Participants have questions about how to support change without additional cost.
2. Changes in schools need to support parent involvement.
3. Some participants do not share the value for all students reaching the same high levels of achievement.
4. Some participants would like to see supports for students with disabilities located within home-schools.
5. Family and community partnership is valued.
6. Collaborative decision-making is valued.
7. Increased levels of real-life learning would be helpful to students, including the exploration of interests.
8. Participants would like to see small class sizes maintained.
9. Academic and Social-emotional learning are beneficial to all.
10. Comprehensive academic programming is valued by participants, including the arts and physical education.
11. Increase rigor and relevance of learning without trading off “fun”.
12. Increase enrichment programming for students.
13. Benchmark with other school districts to support higher performance.
14. Increase wrap-around supports for students and families
15. Increase teaching / learning supports, such as librarians.
16. Increase student supports tailored to individual needs.



Elementary and Secondary Meetings – North Quadrant meetings conducted at North High School and Roosevelt Elementary School – Burncoat Quadrant meetings conducted at Burncoat High School and Clark Street School - Doherty Quadrant meetings conducted at Doherty High School and Flagg Street Elementary School

1. Participants would like to see more supports for high achieving students, such as gifted and talented programs and Advanced Placement courses.
2. Flexibility and choice for students
3. Questions regarding resources needed to support improvements were raised.
4. Teachers should have more time to use data
5. Increase opportunities for students.
6. Changes in the district need to support family involvement
7. Improve the technology in our schools
8. Increase levels of rigor and real-life experiences and partnerships
9. Increase high-interest programs for students
10. Increase outreach to families
11. Collaborative decision-making is valued.
12. Parents may not be accustomed to partnering at the concept level of discussion.
13. Some participants prefer greater detail than provided in the community meetings.
14. Give greater autonomy to schools that demonstrate success.
15. Supports for teaching and learning are needed, such as librarians.
16. Participants did not understand that the agenda items had been generated from prior Standing Committee meetings over the years and that the administration was sharing those ideas with the community.
17. Learn from the schools that are demonstrating success.
18. Engage all stakeholders with more communication.
19. Small class size is valued.
20. Comprehensive educational programming is valued.
21. Increase communication pathways between teachers and parents
22. Concerns about providing special education supports were raised.

These are the recorded number of participants in the community meetings.

North High School	5
Gates Lane School	67
Roosevelt School	79
Chandler Elementary School	82
Doherty Memorial High School	91
Clark Street Development Learning School	81
Burncoat High School	29
Flagg Street School	78
Union Hill School	38
Sullivan Middle School	27

## **School Bathroom Facilities Memorandum, January 20, 1999**

**TO:** Superintendents of Schools Headmasters, Private Schools Boards of Health

**FROM:** David P. Driscoll, Ed.D Commissioner Massachusetts Department of Education  
Howard K. Koh, M.D. Commissioner Massachusetts Department of Public Health  
Louis Visco Executive Secretary Board of Registration of Plumbers

**DATE:** January 20, 1999

### **MEMORANDUM**

In recent months the Massachusetts Department of Public Health and local boards of health have received a growing number of complaints about a lack of access by students to bathrooms within their schools. Schools lock student bathrooms for a variety of reasons, including tobacco use, vandalism, and concerns for safety.

The lack of adequate and available restroom facilities (including liquid soap, water and paper supplies) poses several health risks:

- Hand washing is the first line of defense against infectious disease. Unwashed hands are the primary carriers of infection. When restrooms are locked, students and staff have fewer opportunities to wash their hands at critical times such as before eating and handling food, before feeding a child, after handling bodily secretions, after cleaning, and before and after giving or self-administering medications.
- At least 20% of young women develop urinary tract infections by adulthood. Requiring students to delay urination may increase their symptoms and worsen this condition.
- Young women are also at increased risk because of menstruation; failure to change tampons regularly can lead to the life-threatening bacterial complications of toxic shock syndrome.
- Students with certain special health conditions require access to bathrooms on a regular basis. For example, irritable bowel syndrome is one of the most common gastrointestinal disorders among youth. Students with this condition require frequent bathroom use. Other students may have ostomies (surgically created openings into the bowel or bladder) and may require immediate access to bathroom facilities. Students requiring intermittent catheterizations, who have learned how to self-catheterize, need to be able to use the bathroom for this procedure on a regular basis. (Because of nerve damage, many of these students have a higher risk of infection, which can lead to kidney damage.) Failure to provide access may raise questions of possible violation of the Americans with Disabilities Act.

For all students, the discomfort and poor hygiene resulting from lack of restroom facilities, at the very least, is demeaning. It also may impede learning because of an inability to maintain attention. A further consideration is that failure to make available all facilities required by the Plumbing Code may constitute a violation of that code.

We urge all school districts to make bathrooms readily available to students. Parents, students, teachers, administrators and school health personnel should be part of the process of establishing the rules. Key to success is the expectation of responsible action by the students. A number of school districts have found ways to improve access without jeopardizing safety and health issues. The following are examples:

- Establishing an "honors" bathroom where students sign an honor code emphasizing personal responsibility; (They are given a computerized card permitting access to specially designated "honors" bathrooms.)
- Monitoring the bathrooms by students, teachers and/or custodians;
- Enforcing the school's tobacco control policy, including following through on violations
- Designing new facilities in a way that provides for privacy yet permits ease of monitoring.

We hope these suggestions will prove useful if bathroom availability is an issue in your school. Thank you for consideration of this important matter.

As part of the city's tax recapitulation process with the Department of Revenue, it is necessary to reduce the FY11 budget for the Worcester Public Schools as a result of the final charter school tuition assessments and reimbursements, as well as the final local contribution as contained in the final state budget as follows:

	<u>WPS Budget</u>	<u>Final Amount</u>	<u>Change</u>
Charter/Choice Tuition	\$25,110,946	\$25,083,546	-\$ 27,400
<b>Total Cost Change</b>			<b>-\$ 27,400</b>
Charter School Reimbursements	\$ 4,447,297	\$ 4,132,681	-\$314,616
City Contribution	\$93,234,746	\$93,159,710	-\$ 75,036
<b>Total Revenue Change</b>			<b>-\$389,652</b>
<b>Total Budget Change</b>			<b>-\$362,252</b>

This action is consistent with information provided to the School Committee in a July 2, 2010 budget update memorandum on the final state budget (see attachment). The WPS and City annually makes final adjustments to the budget at the time the City Council sets the tax rate. The following represents the revised FY11 budget for the Worcester Public Schools:

**Budget Summary**

FY11 School Committee Approved Budget:	\$260,409,263
Adjustments	-\$ 362,252
Final Approved Budget	\$260,047,012

The City Council has already taken action to reduce the budget of the Worcester Public Schools in order for the city to be able to set the tax rate for FY11. Attached is the item that was sent to the City Council by the City Manager containing the reduction for the Worcester Public Schools.

The Administration recommends that the following account be reduced in order to balance the budget:

**Account 50135 Instructional Supplies and Materials \$362,252**

The School Committee may recall that during the first quarter budget, the Administration recommended and the School Committee approved the transfer of \$710,309 into the Instructional Supplies and Material Account with the anticipation that these funds would be used in FY12 through the carry-forward of Education Jobs grant funds. The impact of this budget reduction lowers the amount that will be carried forward to the next fiscal year; there is no impact on current staffing, services, or materials for this year.



# Worcester Public Schools

Worcester, Massachusetts

Dr. John E. Durkin Administration Building  
20 Irving Street  
Worcester, Massachusetts 01609-2493

Office of the Superintendent



Tel: (508) 799-3115  
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Melinda J. Boone, Ed.D.  
Superintendent

To: Members of the Worcester School Committee

From: Melinda J. Boone, Superintendent

Date: July 2, 2010

Subject: **FY11 Budget Update: Final State Budget & Health Insurance Trust Fund Savings**

The Governor signed the final FY11 state budget on June 30<sup>th</sup>. There are no significant changes in the final state budget from the amounts included in the budget approved by the School Committee, expect for the following:

- **Quality Kindergarten Grant:** The Governor vetoed approximately 11% of the funding for this grant as a result of the Federal Medical Assistance Program (FMAP) that is yet to be appropriated by the federal government. This could potentially reduce the FY11 allocation for WPS by \$120,000
- **Expanded Learning Time Grants:** The Governor also vetoed about 10% of the ELT grants funds as a result of the FMAP funding shortfall. For Worcester, this may be as much as \$175,000 reduction. Actual FY11 allocations are not finalized at this time.
- **Charter School Reimbursement:** The final cherry sheet lowers the amount for charter school reimbursement for the WPS by \$287,600. In recent conversations with the DESE, this reduction may not be as much once final calculations are determined. A revised reimbursement amount will be posted later this month.
- **MOU - School Improvement Grant (federal grant):** We have been recently notified by the DESE that the amount received for School Improvement Funds may decrease between 50-85% next year. This may represent a reduction of \$243,500 to \$414,000 next year.

In total, there are approximately \$1 million of possible funding reductions that were not known at the time the budget was approved by the School Committee in June. At this point, these are estimated reductions based on state-wide budget actions and district-level detail is not known.

However, in the final reconciliation of the FY10 budget close out process, the City notified the WPS that the actual health insurance trust fund savings to be realized was \$3.4 million, or \$1.1 million more than the \$2.3 million that was previously identified.

The WPS requested and the City Manager approved that the unanticipated additional \$1.1 million in budget savings be deferred and applied to the FY11 budget to address potential state budget shortfalls.

We will continue to work with the state to determine the impact of the state budget reductions will have on the budget of the WPS. It would be my intention to utilize the deferred health insurance savings to address these or potential future state budget reductions this year. A transfer of funds request from the Administration will be forwarded to the School Committee once our state grant budgets are fully known.

In the meantime, should you have any questions or require any additional information, please contact me or Brian Allen.



Michael V. O'Brien  
 City Manager

CITY OF WORCESTER

cm2010dec16153943

Attachment for Item # 9.36 B

December 21, 2010

TO THE WORCESTER CITY COUNCIL

COUNCILORS:

Each year prior to the setting of the tax rate, the City must make final adjustments to the Fiscal Year budget. These adjustments are made to assure that the budget is properly balanced, requires only the tax levy appropriated, addresses known budgetary revenue or expenditure shortfalls, and allows for certification of the tax rate by the Commonwealth's Department of Revenue (DOR).

The attached transfers and appropriation Orders recognize the following adjustments to the FY 2011 budget. The following budgetary adjustments and appropriations are recommended to preserve the City's unused levy capacity per the FY 2011 budget.

**Adjustments to the FY 2011 Budget:** The following adjustments create a deficit in the FY 2011 budget. The deficit will be offset by corresponding positive adjustments defined within this document to present a balanced budget to the DOR for certification of the City's tax rates.

<b>Fiscal Year 2011 Budget Adjustments Prior to setting of the Tax Rate</b>	
<b>Adjustments</b>	
1 Increased Appropriations to Retirement for ERI	2,000,000
2 Increased Appropriations to Retirement for assessment	100,352
3 Increased Appropriation to Retirement for ERI Sick Time	79,322
4 Increased Transfer Out to City Square DIF Fund	75,281
5 Increased Appropriation for Intergovernmental Charges	82,914
6 Reduced State Aid Revenues Per Final State Budget	235,139
7 Reduced Revenue Estimates for Local Receipts	540,000
8 Increased Appropriations for Various Departments	1,004,540
<b>SubTotal</b>	<b>4,117,548</b>

1. The biggest single adjustment required for FY 2011 is the associated with the Early Retirement Incentive (ERI) Program which assumed a \$2M savings. Those funds must be restored to the budget for the City's assessment to the Retirement System (\$2,000,000). This will be addressed through positive adjustments, identified in this document, from departmental savings achieved through ERI and an increased appropriation to address the remaining deficit.





2. The Retirement Budget also requires an increase of \$100,352 associated with the increase of the retirement assessment assumed at the time of the adopted budget estimate to the actual retirement assessments based on the system valuation as approved by PERAC.
3. The ERI Legislation also requires that the Retirement Budget is due an increased appropriation funded by sick time accruals not paid out to employees who participated in ERI. This funding of \$79,322.00 must be applied to the City's Retirement System to begin funding the liability associated with ERI and will be transferred from the respective departments of employees who participated.
4. In accordance with the CitySquare DIF agreement and financing plan, the increased tax value of the CitySquare properties must be deposited in the Debt Service Reserve for the CitySquare project. The actual appropriation required based on the City's property valuation is  $375,000 + \$75,281 = 450,281$ , resulting in the need to transfer \$75,281 to this reserve fund to meet this obligation.
5. The final Cherry Sheet from the DOR includes updated assessments for the City's intergovernmental charges, including the City's assessment for Charter Schools. This amount increased \$82,914 from the time the City's budget was adopted and must be reduced from the funds available for appropriation.
6. The final Cherry Sheet also included reduced amounts in some Local Aid categories from the City's estimates in the adopted FY 2011 Budget, including the elimination of all State funding for Regional Libraries, a reduction in Charter School reimbursements, and a reduction in the payments for State Owned Land. These changes result in a reduction in the funds available for appropriation by \$235,139.00.
7. In accordance with the Five Point Financial Plan, our consistent monitoring of local revenue trends requires that we make adjustments to our estimates for local revenues prior to setting the tax rate. Reductions of \$540,000 are required at this time based on current revenue projections for Motor Vehicle Excise (\$450,000 reduction), Meal and Hotel taxes (\$200,000 reduction), and other adjustments totaling \$110,000 in various revenue categories that net a total reduction of \$540,000 in estimated Local Receipts for FY 2011.
8. The following departmental adjustments must be recognized to address anticipated budgetary shortfalls, known operational issues, or service needs in the wake of ERI. These adjustments total \$753,025.

**Court Judgments:** \$100,000 to address upcoming cases and potential settlements for FY 2011. This Account was depleted by a large settlement early in the FY. Additional funding is required to cover ordinary activity for the remainder of the FY.

**Contingency:** \$186,000 to restore funds for the City Manager's Contingency Account originally identified for implementation of technologies to improve service delivery and citywide efficiency. These funds were transferred out early in the FY to address the cost of a legal settlement.

**Fire Department Salary:** \$21,000 to re-establish the Signal Maintainer position which is required for the repair and maintenance of the Department's communication devices, including radios. The position is needed to maintain proper function of key equipment and allow uniformed personnel to be assigned to appropriate areas.

**Fire Department OM:** \$90,000 to fund the purchase of personnel protective equipment (turnout gear) for the current recruit class. The City is responsible for the cost of this equipment per the Department's collective bargaining agreement. \$15,000 for ordinary maintenance expenses associated with the re-location of the Fire Prevention Division to 25 Meade St., merging Building inspectional functions in one location. This transfer totals \$105,000.

**Veterans' Benefits:** \$130,000 to address the anticipated increase in Veterans' benefit claims during the FY. Benefit claims have been steadily increasing over the last three (3) years. The Commonwealth reimburses the City for 75% of the cost of claims the following year through a State Aid line item on the Cherry Sheet.

**City Assessment:** \$176,515 to address service including outside services, software, and part-time personnel needs to complete the required inspections prior to the complete property valuation in preparation for revaluation of City of Worcester assessments by the Department of Revenue.

**City Clerk:** An increase of \$7,025 to provide proper funding for the current FY 2011 salaries of employees within the Department.

**DPW Street Lights:** \$89,000 to address a prior year invoice for electricity supply charges not paid in FY 2010. These payments were not made during negotiations over the transfer of ownership of the street light system to the City. The charges must therefore be paid from a FY 2011 appropriation.

**Human Resources:** \$75,000 increase in human resources ordinary maintenance to address expenses beyond the original FY 2011 budget including relocation costs, legal and professional services.

**DPW Parks:** \$50,000 to monitor closed landfills at the Green Hill Park Athletic facility and the vernal pools at Green Hill as mandated by the Commonwealth's Department of Environmental Protection.

**DPW Parks:** \$50,000 to address Forestry operations beyond the scope of the Federal Asian Long-horned Beetle funding. Ongoing service needs for Forestry will require additional funding support. The FY 2011 budget assumed the majority of Forestry services would be allocated to and funded by the ALB program.

**DPW Customer Service:** \$15,000 to fund a Customer Service position at the DPW Customer Service Center. One CS position was relocated to City Hall to improve customer service operations citywide and create a continuity of service across all Departments. This funding allows for the CS Center to return to the appropriate level of staffing to address call volume and scheduling needs.

These adjustments total \$4,117,548 in the FY 2011 Budget and must be offset by budget reductions or by increased non-property tax revenue estimates to prevent a reduction in the City's unused levy capacity and an increase in property taxes beyond the adopted FY 2011 Budget.

The following positive adjustments are required to balance the FY 2011 Budget and preserve the original adopted level of unused levy capacity, \$10 Million.

<b>Fiscal Year 2011 Postive Budget Adjustments</b>		
1	Eliminated Snow Deficit Carryover from FY2010	1,000,000
2	Appropriated 50% of Free Cash Per FPPF	523,333
3	Reduced Health Insurance Appropriation	494,010
4	Reduced Unemployment	250,000
5	Reduced Debt Interest	100,000
6	Reduced Education Per State Formula (WPS funding offset by \$1.9M increase Federal Stimulus and "jobs bill" grants)	362,251
7	Early Retirement Savings in Departments	743,622
8	New Growth (Net of Overlay Increase)	260,437
9	MSBA Increase	383,895
<b>Total Positive Adjustments to FY11 budget:</b>		<b>4,117,548</b>

1. The single largest reduction to the FY 2011 budget is the elimination of the Snow Deficit Carryover from FY 2010. A deficit of \$1 M was included in the FY 2011 budget, but that deficit was eliminated through year-end adjustments prior to the close out of FY 2010.
2. In accordance with the Five Point Financial Plan, the City may appropriate 50% of certified Free Cash to the operating budget. The other 50% must be deposited into the City's Bond Rating Stabilization Fund to build reserve levels. The close-out of FY 2010 generated \$1,046,667 in Free Cash certified by the Commonwealth's Department of Revenue. The attached Orders recommend the appropriation of \$523,333 specifically to reduce the tax rate and balance the FY 2011 budget. The remaining \$523,334 will be deposited into the City's Bond Rating Stabilization Fund, increasing General Fund Reserves.
3. The City's appropriation for health insurance can be reduced by \$494,010 in recognition of favorable final premium rates and savings associated with enrollment decisions and citywide personnel attrition.
4. The City's unemployment budget can be reduced by \$250,000 due to reductions in anticipated amount of benefits to be paid in FY 2011.
5. The City's Debt Service Budget can be reduced due to favorable interest rates awarded in the last rounds of borrowing. \$100,000 can be reduced from this appropriation in FY 2011.
6. The State's reduction in key revenue accounts, including Charter Schools reimbursements and payments for State-Owned Land, reduce the required appropriation to the Worcester Public Schools by \$362,251.00. At the same time,

the State identified an increase of \$1.9 M in Federal grant funding to the Worcester Public Schools (Federal Jobs Bill). These additional funds are provided in the form of a grant directly to WPS and do not require an increased appropriation from the City.

7. The implementation of the ERI Program resulted in vacancies in a number of City departments. These vacancies created budgetary savings that were originally assumed as a reduction to the Retirement Budget. The savings from each department must be transferred to the Retirement Budget for payment into the Worcester Retirement System per the requirements of the legislation. The following departments and amounts, inclusive of Enterprise funds, are included in these transfers:

<b>From Departments:</b>	<b>ACCT#</b>	<b>Transfer</b>
Elections	150-91000	28,400.64
Communications	270-91000	36,697.65
Inspectional Services	280-91000	153,432.10
DPW Administration	4101-91000	34,284.96
DPW Engineering	4102-91000	145,020.53
DPW Streets	4103-91000	70,432.20
DPW Sanitation	4104-91000	8,369.04
DPW Central Garage	4105-91000	35,189.16
Health	330-91000	6,038.43
Library	550-91000	125,031.82
Auditing	650-91000	72,853.49
Treasury	660-91000	20,412.78
Parks	720-91000	7,459.20
<b>Total</b>		<b>743,622.00</b>

<b>Enterprise Departments:</b>	<b>Transfer Amount</b>
<b>From:</b> Water Personal Services	24,891.00
<b>To:</b> Water Fringe	24,891.00
<b>From:</b> Sewer Personal Services	7,436.63
<b>To:</b> Sewer Fringe	7,436.63
<b>From:</b> Golf Personal Services	204.00
<b>To:</b> Golf Fringe	204.00
<b>Enterprise Depts Early Retirement Total</b>	<b>32,531.63</b>

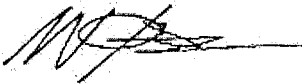
8. The final valuations for the City's property tax base generated an increase in the City's increased values associated with New Construction Growth. The budget estimated \$2.7M in tax revenue from new growth. The actual figure following updated valuations is \$3.27M. This increase is offset by an increase in the City's of 300,000 to the City's overlay reserve required to have sufficient funds for property tax abatement and exemptions. The net increase to the City's available revenues in Fiscal Year 2011 is an \$260,437 increase property taxes available for appropriation.
9. *Massachusetts School Building Authority (MSBA) Reimbursements:* Reimbursements for school construction expenditures from past years from the MSBA have increased \$383,895 over the original budget estimates. This revenue

increase will be recognized in the City's recapitulation for the Department of Revenue, reducing the need for tax levy funding.

These above positive budgetary adjustments offset the adjustments in the same amount identified above, of \$4,117,548. In total, these adjustments balance the budget for Fiscal Year 2011, preserving \$10 Million in unused levy capacity and avoiding further lay-offs.

I respectfully recommend that attached transfers and appropriation Orders to effect the above budget adjustments and balance the FY 2011 Budget for the final certification of the City's tax rates.

Respectfully submitted,



Michael V. O'Brien  
City Manager