



Office of the Superintendent
The Salem Public Schools
City of Salem

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SUPERINTENDENT'S 2011-2012 BUDGET NARRATIVE

Enclosed is a copy of the administrative proposal for an FY 2012 budget for the Salem Public Schools. The proposed budget covers the district's operating expenses for the fiscal year that starts July 1, 2011, and ends June 30, 2012. In submitting this budget for the School Committee's review, discussion, amendment, and approval I want to point out salient features of this plan and also to make a few observations.

The proposed Salem Public Schools operating budget for FY 2012 assumes a municipal budget allocation by the Mayor of \$48.886 million for operation of Salem's schools. It also assumes subsequent approval thereof by the City Council. The Mayor's proposed appropriation increase for FY 2012 represents a change of +\$1,353,369 from the \$47,532,631 appropriated for the Salem Public Schools' operation in FY 2011. This represents an increase of +2.85%.

Each year there are specific areas of uncertainty as we submit a budget proposal, and FY 2012 is no exception. We do not yet have final figures for FY 2012 from the Massachusetts Department of Elementary & Secondary Education for federal assistance from the Title I, Individuals with Disabilities Education Act (IDEA), Title II-A (professional development), Title III (English language learners), and other federal and state sources of funding. As was the case for 2010-2011, we anticipate a reduction in our Title I funding, as occurred last year. Nevertheless, we expect that what we receive through Title I will be adequate to maintain Title I-funded services at the level they are being provided in 2010-2011. Expansion of services to needy students through this funding source is unlikely.

A substantial new expenditure for the City of Salem's educational system is the funding required to cover the initial year of operation of the Salem Community Charter School (SCCS). As was widely reported at the time, on February 28, 2011 the Massachusetts Board of Elementary & Secondary Education awarded the SCCS's Founders' Group a charter for

operation of a Horace Mann school. This new school will serve the most disadvantaged young people in Salem: those who have already dropped out of school and, in subsequent years, those students remaining in school who are at the highest risk of dropping out. The base figure for the SCCS's operation in FY 2012 is \$764,000.

The Mayor's proposed allocation for the Salem Public Schools in FY 2012 is sufficient to fund a level service budget for the 2011-2012 school year. The proposed budget we have submitted to the School Committee includes most of the positions, and therefore most of the services to students, that were funded in FY 2010 and FY 2011 by the now-depleted American Recovery & Reinvestment Act (ARRA).

The Salem Public Schools used the majority of its ARRA funding for non-personnel costs. These non-personnel costs included paying off the remainder of what the City of Salem borrowed in 2008 to cover the mid-year deficit that was uncovered; acquiring the materials and professional development training for a new phonic-based K-2 reading program; acquiring three years' worth of instructional materials for the pre-school Parent-Child Home Program; purchasing nearly \$50,000 worth of musical instruments for the district; and acquiring considerable new hardware to replace much of the aging computer equipment found at certain schools. Among the ARRA-funded positions that can be retained due to the Mayor's level-service proposed allocation are: two grade 1 teachers; three English Language Learner (ELL) teachers; two school adjustment counselors; and supervisory assistance at Nathaniel Bowditch School and Saltonstall School, each with a nine-grade configuration.

In sum, as was the case in FY 2011, *the core functions and staffing levels found in our schools in May 2011 will, with this appropriation, be retained for FY 2012.*

In addition to the \$48.886 million allocation, the city's public education system incurs costs that are not borne by the system itself, but rather by the City budget as a whole. The term used in Massachusetts school finance to denote these "off budget" expenses is "qualifying costs." In fact, they are not off the City's budget, but only that portion of the City's budget that is allocated to the schools for day-to-day operating expenses. The chief such "qualifying cost" is health insurance coverage for those employed by the Salem Public School. Other qualifying costs include workers' compensation costs, unemployment insurance benefits, and snow removal from school parking lots and roadways.

Qualifying costs are included in calculating whether a municipality has met its fundamental "net school spending" total for a given fiscal year. Between the allocation for the Salem Public Schools operating budget and the qualifying costs

incurred by the City of Salem the Salem Public Schools receives funding that substantially exceeds the City's net school spending obligation.

The Salem Public Schools will face an added challenge in 2011-2012 as renovation of Collins Middle School and Saltonstall School proceeds. The renovation work is expected to begin in the fall of 2011. Completion of the work is anticipated by the opening of school in 2012-2013. This project, funded at 78.26% of eligible costs by the Massachusetts School Building Authority, will correct long-neglected water infiltration, heating, and other problems at each school. Plans are being developed to ensure that the work at site proceeds expeditiously, and with minimum disruption of student learning.

We continue to live in exceptionally difficult financial times. Many areas of public services have been reduced as state and federal tax revenues stagnate or decline and growth in health care expenses and other inflationary factors are unabated. Keeping what one already has, and even adding some new elements to the school system's program, is a major accomplishment. I thank Mayor Driscoll for proposing an appropriation that recognizes the importance of a sound and innovative school system to the prosperity and well-being of the community.

William J. Cameron, Jr.
Superintendent of Schools

Education Overview

The City's public school facilities include seven elementary schools with a combined capacity of 2,782, one middle school with a capacity of 1,162, and one comprehensive senior high school that include an automotive technology center with a capacity of 2,625. Public school enrollments have increased at the elementary level for the past several years and are expected to remain constant or to continue to increase during the next five years.

As of June 2009 the City had \$13,386,032 of authorized unissued debt for school purposes. The City is receiving state school construction grants equal to 90 percent of eligible project costs for the Bowditch, Carlton, and Bates Elementary School projects, including debt service. The City has completed renovating and making additions to the Salem High School. The bonding for this project has been completed and the City received \$57,589,589.00 in funding as of April 2010 from the School Building Authority. The remaining 5% holdback should be received sometime in FY 2010 once the School Building Authority has audited the final reports.

Public School Enrollments

The following table presents actual enrollments in the City's public schools and projected enrollment for FY 2012.

City of Salem, Massachusetts School Enrollments as of October 1							
	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	Est FY 2012
Pre K & K	422	439	542	520	511	525	540
Elementary 1-5	2,032	1,662	1,667	1,817	1,749	1,953	1,965
Middle 6-8	802	935	904	916	1,044	982	850
High School 9-12	1,384	1,365	1,347	1,255	1,275	1,233	1,250
Sped-Out of District	124	138	126	104	100	0	80
Total	4,764	4,539	4,586	4,612	4,679	4,693	4,685

Source: School business office

In addition, the City of Salem is a member of the North Shore Regional Vocational-Technical School District which serves 16 communities.

Budget by Category	Professional Salary	Support Salary	Total Salary	Contract Service	Supplies	Equipment	Textbooks	Libr. Books	Athletics Offset	Total Non Sal.	Total Budget
School Committee		\$18,335	\$18,335	\$31,000	\$900					\$31,900	\$50,235
Superintendent's Office	\$271,200	\$107,352	\$378,552	\$5,000	\$2,500					\$7,500	\$386,052
Business and Finance	\$151,800	\$234,696	\$386,496	\$308,966	\$49,050	\$2,600				\$360,616	\$747,112
Human Resource		\$58,000	\$58,000	\$10,000	\$1,000					\$11,000	\$69,000
Technology/Inform. Man.	\$296,029	\$293,588	\$589,617	\$267,745	\$62,302	\$8,240				\$338,287	\$927,904
District Wide	\$492,593	\$419,067	\$911,660	\$579,383	\$64,505					\$643,888	\$1,555,548
Principals	\$1,303,716		\$1,303,716							\$0	\$1,303,716
Elementary Education	\$10,014,515	\$489,026	\$10,503,541	\$34,880	\$114,955	\$13,525				\$163,360	\$10,666,901
Middle School Education	\$3,078,684	\$143,814	\$3,222,498	\$17,407	\$46,572					\$63,979	\$3,286,477
High School Education	\$5,893,175	\$225,092	\$6,118,267	\$25,700	\$77,722	\$36,400				\$139,822	\$6,258,089
Special Education	\$6,934,005	\$3,210,140	\$10,144,145	\$5,579,266	\$80,150	\$52,100				\$5,711,516	\$15,855,661
Early Childhood		\$32,165	\$32,165	\$1,250	\$3,438	\$2,000				\$6,688	\$38,853
Library Media	\$118,960	\$97,298	\$216,258						\$48,193	\$48,193	\$264,451
Professional Development			\$0	\$55,000						\$55,000	\$55,000
Textbooks			\$0				\$118,138			\$118,138	\$118,138
Guidance Services	\$1,542,168		\$1,542,168	\$49,000						\$49,000	\$1,591,168
Medical Health Services	\$713,881	\$37,300	\$751,181	\$13,500	\$10,505					\$24,005	\$775,186
Athletics/Student Activities	\$285,724	\$72,361	\$358,085	\$129,589	\$30,250	\$23,000				\$112,839	\$470,924
Operations and Mainten.	\$138,000	\$1,323,610	\$1,461,610	\$2,337,665	\$179,061	\$12,249			-\$70,000	\$2,528,975	\$3,990,585
School Resource/Cross Grd	\$60,000	\$134,000	\$194,000		\$1,000					\$1,000	\$195,000
Comprehensive Insurance				\$280,000						\$280,000	\$280,000
Total	\$31,294,450	\$6,895,844	\$38,190,294	\$9,725,351	\$723,910	\$150,114	\$118,138	\$48,193	-\$70,000	\$10,695,706	\$48,886,000

Total Salary \$38,190,294 78.12%

Total Non Salary \$10,695,706 21.88%

Total Budget FY 12 \$48,886,000 100%

Salaries	Function	FY 11 Approved Budget	FY 12 Budget Request	Change	% Change	
School Committee	1110	\$35,235	\$50,235	\$15,000	42.57%	
Superintendent/Asst. Supt.	1210	\$386,275	\$386,052	-\$223	-0.06%	
Business and Finance	1410	\$657,254	\$747,112	\$89,858	13.67%	
Human Resources	1420	\$65,108	\$69,000	\$3,892	5.98%	
Technology/Information Management	1450	\$825,282	\$927,904	\$102,622	12.43%	
District Wide Programs	2220	\$1,658,076	\$1,555,548	-\$102,528	-6.18%	
School Leadership-Principals	2210	\$1,300,292	\$1,303,716	\$3,424	0.26%	
Elementary Education	2305	\$9,771,582	\$10,666,901	\$895,319	9.16%	
Middle School Education	2305	\$3,140,243	\$3,286,477	\$146,234	4.66%	
High School Education	2305	\$6,016,722	\$6,258,089	\$241,367	4.01%	
Special Education	2305	\$15,771,166	\$15,855,661	\$84,495	0.54%	
Early Childhood	2305	\$37,644	\$38,853	\$1,209	3.21%	
Library Services	2340	\$205,544	\$264,451	\$58,907	28.66%	
Professional Development	2353	\$106,780	\$55,000	-\$51,780	-48.49%	
Textbooks	2410	\$93,940	\$118,138	\$24,198	25.76%	
Guidance Services	2710	\$1,331,771	\$1,591,168	\$259,397	19.48%	
Health Services	3200	\$759,861	\$775,186	\$15,325	2.02%	
Athletics	3510	\$435,692	\$470,924	\$35,232	8.09%	
Operations and Maintenance	4210	\$3,951,700	\$3,990,585	\$38,885	0.98%	
Resource Officer/Crossing Guards	1230	\$135,000	\$195,000	\$60,000	44.44%	
General Insurance	5200	\$280,000	\$280,000	\$0	0.00%	
Reserve for Salary Negotiation		\$532,631		-\$532,631	-100.00%	
Total FY 12 Budget Request		\$47,532,631	\$48,886,000	\$1,353,369	2.85%	

Analysis for City of Salem FY 12 Operating Budget

Chart of Accounts-DESE	Acct #	FY 12 Personnel	FY 12 Expense	Total	FY 11	Variance	% +/-
School Committee	1100	\$18,335	\$31,900	\$50,235			
Superintendent	1210	\$215,752	\$7,500	\$223,252			
Asst. Supt.	1220	\$162,800		\$162,800			
Business and Finance	1410	\$386,496	\$360,616	\$747,112			
HR	1420	\$58,000	\$11,000	\$69,000			
Information Technology	1450	\$589,617	\$338,287	\$927,904			
Total 1000 Series		\$1,431,000	\$749,303	\$2,180,303	\$1,065,117	\$1,115,186	104.70%

Curriculum Supervisors	2110						
Dept. Head	2120						
Principals	2210	\$1,303,716		\$1,303,716			
District Wide	2220	\$911,660	\$643,888	\$1,555,548			
Teachers	2305	\$19,461,378	\$337,161	\$19,798,539			
Occupational Education	2305	\$357,928	\$30,000	\$387,928			
sped	2305	\$10,144,145	\$2,211,131	\$12,355,276			
ECC	2305	\$32,165	\$6,688	\$38,853			
Coordinators/team leaders	2315						
Medical Therapeutic Service	2320						
sub teachers	2325						
Instructional Asst. Teacher Aid	2330						
Library Services	2340	\$216,258	\$48,193	\$264,451			
Professional Develop	2353		\$55,000	\$55,000			
Textbooks	2410		\$118,138				
Other Instr. Materials	2415						
Instr. Equipment	2415						
Gen. Supplies	2430						
Other Instr. Materials	2440						
Guidance	2710	\$1,542,168	\$49,000	\$1,591,168			
Testing	2720						
total 2000 series		\$33,969,418	\$3,499,199	\$37,350,479	\$33,248,816	\$4,101,663	12.34%

Attendance	3100						
Medical Health Services	3200	\$751,181	\$24,005	\$775,186			
Transportation	3300						
Food Service	3400						
Athletics	3510	\$358,085	\$112,839	\$470,924			
Other Student Activates	3520						
total 3000 series		\$1,109,266	\$136,844	\$1,246,110	\$3,884,641	-\$2,638,531	-211.74%

Custodial Services	4110	\$1,486,610	\$2,528,975	\$4,015,585			
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Analysis for City of Salem FY 12 Operating Budget

Heating of Buildings	4120						
Utilities	4130						
Maintenance of Grounds	4210						
Maintenance of Buildings	4220						
building Security	4225						
Maintenance of Equipment	4230						
Network and Telecom..	4400						
Technology Maintenance	4450						
total 4000 series		\$1,486,610	\$2,528,975	\$4,015,585	\$4,437,604	-\$422,019	-9.51%
Insurance	5100		\$280,000	\$280,000			
Other Fixed/Crossing Guards	5300	\$194,000	\$1,000	\$195,000			
total 5000 series		\$194,000	\$281,000	\$475,000	\$415,000	\$60,000	14.46%
Civic Activities	6200						
Programs with Other Distr.	9000		\$3,500,385	\$4,264,385	\$3,948,822	\$315,563	7.99%
total		\$38,190,294	\$10,695,706	\$48,886,000	\$47,532,631	\$1,353,369	2.85%

School Budget Summary By Function

	Type	FY 2010	FY 2011	FY 2012	Variance	% +/-
1000 Admin	Personnel	832,549.00	896,401.00	1,431,000.00	534,599.00	59.64%
	Exp	172,716.00	168,716.00	749,303.00	580,587.00	344.12%
	Total	1,005,265.00	1,065,117.00	2,180,303.00	1,115,186.00	104.70%
2000 Instructional Services	Personnel	29,807,670.00	31,400,947.00	33,969,418.00	2,568,471.00	8.18%
	Exp	1,792,400.00	1,847,869.00	3,499,199.00	1,651,330.00	89.36%
	Total	31,600,070.00	33,248,816.00	37,468,617.00	4,219,801.00	12.69%
3000 Other Student Services	Personnel	1,448,369.00	1,557,551.00	1,109,266.00	(448,285.00)	-28.78%
	Exp	2,294,228.00	2,327,090.00	136,844.00	(2,190,246.00)	-94.12%
	Total	3,742,597.00	3,884,641.00	1,246,110.00	(2,638,531.00)	-67.92%
4000 Operations & Maint	Personnel	1,653,828.00	1,667,906.00	1,486,610.00	(181,296.00)	-10.87%
	Exp	3,058,600.00	2,769,698.00	2,528,975.00	(240,723.00)	-8.69%
	Total	4,712,428.00	4,437,604.00	4,015,585.00	(422,019.00)	-9.51%
5000 Fixed Charges	Personnel	134,640.00	134,000.00	194,000.00	60,000.00	44.78%
	Exp	281,000.00	281,000.00	281,000.00	-	0.00%
	Total	415,640.00	415,000.00	475,000.00	60,000.00	14.46%
9000 Programs other Districts	Personnel					
	Exp	4,400,000.00	3,948,822.00	3,500,385.00	(448,437.00)	-11.36%
	Total	4,400,000.00	3,948,822.00	3,500,385.00	(448,437.00)	-11.36%
Total	Personnel	33,877,056.00	35,656,805.00	38,190,294.00	2,533,489.00	7.11%
	Exp	11,998,944.00	11,343,195.00	10,695,706.00	(647,489.00)	-5.71%
	Grand Total	45,876,000.00	47,000,000.00	48,886,000.00	1,886,000.00	4.01%

School Finance: Chapter 70 Program

FY12 Preliminary Chapter 70 Aid and Net School Spending Requirements

January 26, 2011

Pursuant to section 6 of chapter 70 of the General Laws, the Commissioner of Elementary and Secondary Education is issuing the preliminary estimates of Chapter 70 school aid and net school spending requirements for FY12. These estimates are based on House 1, Governor Patrick's proposed state budget for the coming fiscal year. It replaces all of the \$20.7 million in FY11 federal "sfsf" grants with Chapter 70 aid, and funds an additional \$118.8 million in foundation aid. However, the \$200.5 million in education jobs grants which were run through the formula in FY11 were one-time stimulus monies and are not folded into the FY12 base. This means that statewide, total aid falls from \$4.072 billion to \$3.990 billion, a reduction of \$81.8 million or two percent.

Here are some of the key points about the proposal.

- The aggregate wealth model used in the formula since FY07 continues to be in effect. For municipalities with required contributions above their targets, the requirement is reduced by 20% of the gap (compared to 30% last year).
- Ninety-nine districts receive foundation aid to ensure that they do not fall below their foundation budgets.
- Almost three-quarters of the Commonwealth's 326 operating school districts see a net decrease in aid of between 5 and 7.5 percent. For many of them, the loss of education jobs grant funding is mitigated by the fact that the \$200 million was eligible to be spread across more than one year. To date, districts have applied for less than half of the \$200 million for use in FY11 and are likely planning on using the remainder in FY12 and beyond.
- Foundation budgets are raised by an inflation factor of 1.78 percent.
- Enrollment fell by just 0.11 percent and cities in particular saw substantial increases.
- Newly-calculated equalized property valuations (EQV's) fell five percent from the previous period.
- Residents' incomes fell were six percent lower than the previous period.
- There are two new regional districts and one that expanded from grades 5 to 12, to PK to 12.

These are preliminary estimates subject to change as the House and Senate deliberate on the budget. Our purpose in providing these estimates at this time is to assist cities and towns in their own budget preparations for FY12. We advise you to construct your local budgets with sufficient flexibility to accommodate the changes that typically occur in the state budget process. The Commissioner will issue the final, official school spending requirements as soon as the Governor and Legislature approve either the FY12 state budget or an earlier local aid resolution. Those final numbers will then match the FY12 cherry sheets to be issued by the Department of Revenue.

The Department of Elementary and Secondary Education has prepared the following materials to assist local officials in understanding the state aid calculations and local contribution requirements in this year's Chapter 70 program:

- Summary chart, showing foundation enrollment, foundation budget, Chapter 70 aid, and required local contributions for each school district: http://finance1.doe.mass.edu/chapter70/chapter_12p_local.xls.
- Summary chart for regional school districts, showing foundation enrollment and required local contribution for each member of the district. http://finance1.doe.mass.edu/chapter70/chapter_12p_reg.xls
- Complete formula spreadsheet, showing the detailed calculations for each municipality and district. http://finance1.doe.mass.edu/chapter70/chapter_12p.xls

Questions about the Chapter 70 program should be directed to:

Roger Hatch rhatch@doe.mass.edu 781-338-6527

Jeff Wulfson jwulfson@doe.mass.edu 781-338-6500

last updated: January 26, 2011

*Massachusetts Department of
Elementary & Secondary Education*



The Massachusetts Foundation Budget

In Massachusetts, the definition of an adequate spending level for a school district is called its “foundation budget.” It is a statistical measure that was developed by a group of superintendents and an economist in the early 1990’s. They developed a “model school budget” which quantified “for the average school district what constitutes an adequate—but not excessive—level of funding¹.” The goal of the Chapter 70 formula is to ensure that every district has sufficient resources to meet its foundation budget spending level, through an equitable combination of local property taxes and state aid.

Each district’s foundation budget is updated each year to reflect inflation and changes in enrollment. Enrollment plays an important role not just because of the total number of pupils, but also because there are differences in the costs associated with various educational programs, grade levels, and student needs. Districts differ greatly in the percentages of their student population that fall into these enrollment categories. As a result, when districts’ foundation budgets are presented in per pupil terms, there is considerable variation. The FY10 statewide average is \$9,659 per pupil, but the range for academic districts is from \$8,071 in the Northborough elementary district, to \$11,499 in Boston. Vocational districts, whose programs are more expensive, range from \$13,970 to \$16,387.

The FY10 foundation budget continues the major changes to the calculations first implemented in FY07. The changes directly align the foundation budget categories with the chart of accounts which schools use to track how they spend their money. The rationale for the changes is discussed in detail on the DOE website at

http://finance1.doe.mass.edu/chapter70/chapter_07_change_detail.doc

Foundation Enrollment

Foundation enrollment is a key factor in determining a school district’s “foundation budget” and “Chapter 70” state education aid. The purpose of this document is to describe, first in general terms and then in more detail, what this measure represents and how it is calculated.

General description

Foundation enrollment is a count of the number of pupils for whom a school district is financially responsible on October 1st of any given year. It is comprised primarily of local resident schoolchildren attending their community's local or regional school district. However, it also includes students for whom the district is paying tuition, such as those at Commonwealth charter schools, other school districts, special education schools and other settings. It does not include tuitioned-in students from other districts, because their home districts are paying for those students' costs.

In order to be included, a student must be officially enrolled on October 1st. Those who leave in September or arrive after October 1st are not counted. A student who happens to be absent on October 1st is included nonetheless; this is a measure of enrollment, not attendance.

The Massachusetts Department of Elementary and Secondary Education computes foundation enrollment using pupil-specific data submitted by each Massachusetts school district through the Student Information Management System (SIMS).

Because of the timing involved in the state budget process leading to an upcoming year's Chapter 70 state aid, foundation enrollment is lagged by one year. For example, FY08 Chapter 70 relies upon October 1st, 2006 pupil counts, which were the latest available when the Governor and Legislature were making their FY08 budget proposals during the winter and spring of 2007.

A district's foundation pupil headcounts are applied to specific cost rates to arrive at the upcoming year's foundation budget. The foundation budget represents the minimum amount a district must spend in its operating budget in order to provide an adequate education. The foundation budget is perhaps the most important factor used in calculating a district's Chapter 70 state education aid.

Massachusetts Department of Elementary and Secondary Education
FY12 Chapter 70 Summary, Preliminary

258 SALEM**Aid Calculation FY12****Prior Year Aid**

1 Chapter 70 +SFSF FY11	17,060,195
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Foundation Aid

2 Foundation budget FY12	49,075,890
3 Required district contribution FY12	30,553,623
4 Foundation aid (2 -3)	18,522,267
5 Increase over FY11 (4 - 1)	1,462,072

Non-Operating District Reduction to Foundation

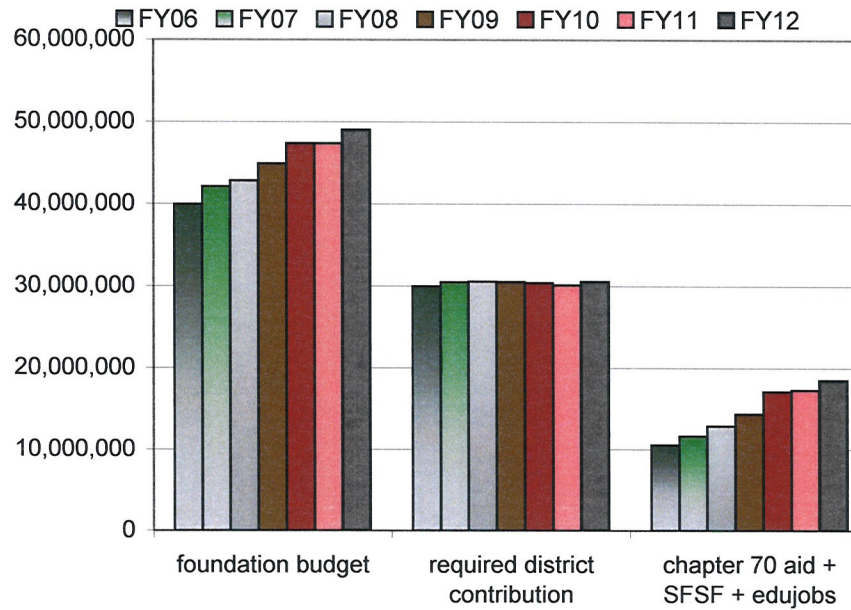
6 Non-operating district reduction to foundation	0
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Chapter 70 Aid FY12

sum of line 1 and 5 minus line 6	18,522,267
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Comparison to FY11

	FY11	FY12	Change	Pct Chg
Enrollment	4,817	4,869	52	1.08%
Foundation budget	47,422,424	49,075,890	1,653,465	3.49%
Required district contribution	30,121,364	30,553,623	432,259	1.44%
Chapter 70 aid	16,969,097	18,522,267	1,553,170	9.15%
Required net school spending (NSS)	47,090,461	49,075,890	1,985,429	4.22%
SFSF Grant	91,098	0	-91,098	-100.00%
Education jobs Grant	240,865	0	-240,865	-100.00%
Chapter 70 plus SFSF+Edujobs	17,301,060	18,522,267	1,221,207	7.06%
target aid share	40.56%	42.27%		
C70 & SFSF + Edujobs % of fndati	36.48%	37.74%		
Required NSS plus SFSF + Edujob:	47,422,424	49,075,890	1,653,466	3.49%
Req NSS & SFSF +Edujobs % of fr	100.00%	100.00%		



Massachusetts Department of Elementary and Secondary Education
Determination of City and Town Total Required Contribution FY12

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Effort Goal

FY12 Increments Toward Goal

1) 2010 equalized valuation	4,568,374,700
2) Property percentage	0.3148%
3) Local effort from property wealth	14,380,261
4) 2008 income	1,033,888,000
5) Income percentage	1.4641%
6) Local effort from income	15,137,158
7) Combined effort yield (row 3+ row 6)	29,517,419
8) Foundation budget FY12	51,127,983
9) Maximum local contribution (82.5% * row 8)	42,180,586
10) Target local contribution (lesser of row 7 or row 9)	29,517,419
11) Target local share (row 10 as % of row 8)	57.73%
12) Target aid share (100% minus row 11)	42.27%

13) Required local contribution FY11	31,490,969
14) Municipal revenue growth factor (DOR)	3.34%
15) FY12 preliminary contribution (13 x 14)	32,542,767
16) Preliminary contribution pct of foundation (15/8)	63.65%

If preliminary contribution is above the target share:

17) Excess local effort (15 - 10)	3,025,348
18) 20% reduction toward target (17 x 20%)	605,070
19) FY12 required local contribution (15 - 18)	31,937,697
20) Contribution as percentage of foundation (19 / 8)	62.47

If preliminary contribution is below the target share:

21) Shortfall from target local share (11 - 16)	
22) Added increment toward target (13 x 1% or 2%)*	
<i>*1% if shortfall is between 5% and 10%; 2% if shortfall > 10%</i>	
23) Shortfall from target after adding increment (10 - 15 - 22)	
24) FY12 required local contribution (15 + 23)	
25) Contribution as percentage of foundation (24 / 8)	

[See a listing of all 351 communities](#)

Massachusetts Department of Elementary and Secondary Education FY12 Chapter 70

Apportionment of Local Contribution Across School Districts

258 SALEM

	SALEM	NORTH SHORE	ESSEX AGRICULTURAL	COMBINED TOTAL ALL DISTRICTS
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Prior Year Data (for comparison purposes)

1 FY11 foundation enrollment	4,817	111	29	4,957
2 FY11 foundation budget	47,422,424	1,595,167	402,319	49,419,910
3 Each district's share of municipality's combined FY11 foundation	95.96%	3.23%	0.81%	100.00%
4 FY11 required contribution	30,121,364	1,013,204	356,401	31,490,969

Apportionment of FY12 contribution among community's districts

5 FY12 total unapportioned required contribution ("municipal contribution" sheet row 19 or 24)				31,937,697
6 FY12 foundation enrollment	4,869	113	30	5,012
7 FY12 foundation budget	49,075,890	1,631,791	420,302	51,127,983
8 Each district's share of municipality's total FY12 foundation	95.99%	3.19%	0.82%	100.00%
9 FY12 required contribution apportioned using row 8 percentages	30,655,833	1,019,317	262,547	31,937,697
10 Essex Agricultural adjustment	-102,210	-3,399	105,609	0
11 Required district contribution FY12 (lines 10 + 11)	30,553,623	1,015,918	368,156	31,937,697
12 Change FY11 to FY12 (12 - 5)	432,259	2,714	11,755	446,728

Massachusetts Department of Elementary and Secondary Education
Office of School Finance

FY12 Chapter 70 Foundation Budget

258 SALEM

	Base Foundation Components										--- Incremental Costs Above The Base ---				TOTAL*	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)		
	Pre-School	----- Kindergarten ----- Half-Day	Full-Day	Elementary	Jr High/ Middle	High School	ELL PK	ELL K Half	ELL KF - 12	Voca- tional	Special Ed In District	Special Ed Out of Dist	---- Low Income ---- Elem	Other		
Foundation Enrollment	117	0	349	1,628	1,028	1,153	0	0	512	140	182	47	1,666	934	4,869	
1 Administration	19,806	0	118,154	551,159	348,029	390,348	0	0	173,338	47,397	425,263	109,821	0	0	2,183,315	
2 Instructional Leadership	35,770	0	213,400	995,457	628,581	705,013	0	0	313,068	85,604	0	0	0	0	2,976,893	
3 Classroom and Specialist Teachers	164,020	0	978,509	4,564,440	2,536,364	4,183,488	0	0	2,161,935	863,549	1,403,266	0	4,202,452	1,779,886	22,837,908	
4 Other Teaching Services	42,066	0	250,966	1,170,695	532,134	496,885	0	0	294,395	60,333	1,310,207	1,678	0	0	4,159,359	
5 Professional Development	6,488	0	38,718	180,643	123,648	134,463	0	0	76,897	26,993	67,691	0	92,496	51,856	799,893	
6 Instructional Equipment & Tech	23,739	0	141,628	660,659	417,173	748,631	0	0	207,775	159,075	59,084	0	0	0	2,417,764	
7 Guidance and Psychological	11,934	0	71,199	332,128	279,184	392,516	0	0	139,049	47,660	0	0	0	0	1,273,671	
8 Pupil Services	4,747	0	28,332	198,209	204,428	528,720	0	0	62,336	64,198	0	0	0	0	1,090,970	
9 Operations and Maintenance	45,547	0	271,717	1,267,496	867,704	943,627	0	0	539,653	214,435	475,042	0	649,040	363,868	5,638,129	
10 Employee Benefits/Fixed Charges	41,054	0	244,918	1,142,530	685,954	739,165	0	0	452,019	145,764	538,161	0	426,579	239,151	4,655,295	
11 Special Ed Tuition	0	0	0	0	0	0	0	0	0	0	0	1,042,692	0	0	1,042,692	
12 Total	395,171	0	2,357,540	11,063,416	6,623,198	9,262,856	0	0	4,420,465	1,715,010	4,278,714	1,154,191	5,370,568	2,434,761	49,075,890	
13 Wage Adjustment Factor	100.0%											Foundation Budget Per Pupil				10,079

Massachusetts Department of Elementary and Secondary Education

FY11 Chapter 70 Summary

258 SALEM**Aid Calculation FY11****Prior Year Aid**

1 Chapter 70 aid FY10 +SFSF	17,108,566
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Foundation Aid

2 Foundation budget FY11	47,422,424
3 Required district contribution FY11	30,194,015
4 Foundation aid (2 -3)	17,228,409
5 Increase over FY10 (4 - 1)	119,843

Non-Operating District Reduction to Foundation

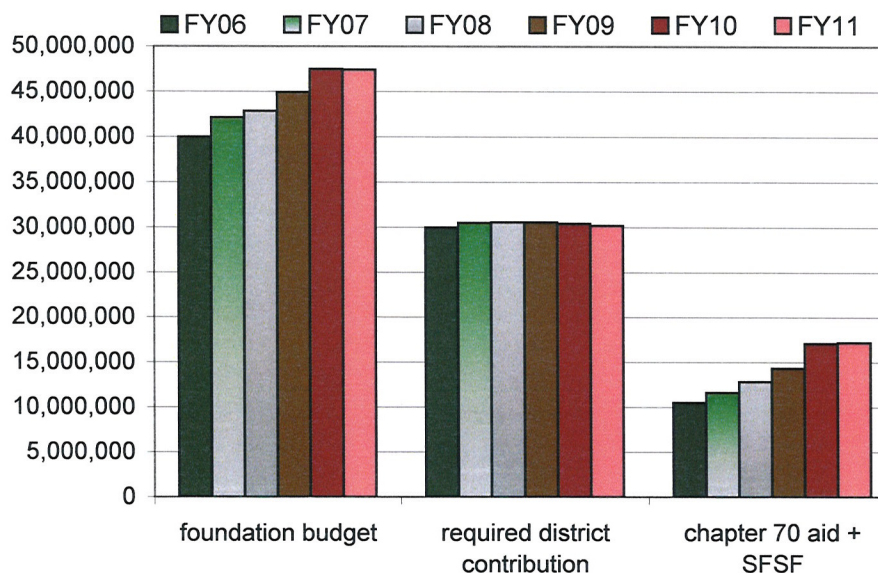
6 Non-operating district reduction to foundation	0
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Chapter 70 Aid FY11

sum of lines 1+5, minus line 6	17,228,409
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Comparison to FY10

	FY10	FY11	Change	Pct Chg
Enrollment	4,756	4,817	61	1.28%
Foundation budget	47,512,497	47,422,424	-90,073	-0.19%
Required district contribution	30,403,931	30,194,015	-209,916	-0.69%
Chapter 70 aid	14,083,762	17,228,409	3,144,647	22.33%
Required net school spending (NS)	44,487,693	47,422,424	2,934,731	6.60%
SFSF Grant	3,024,804	0	-3,024,804	-100.00%
Chapter 70 plus stabilization aid	17,108,566	17,228,409	119,843	0.70%
target aid share	39.32%	40.56%		
C70 & SFSF as % of foundation	36.01%	36.33%		
Required NSS plus SFSF	47,512,497	47,422,424	-90,073	-0.19%
Req NSS & SFSF % of foundation	100.00%	100.00%		



Massachusetts Department of Elementary and Secondary Education
Determination of City and Town Total Required Contribution FY11

258 SALEM

Effort Goal

FY11 Increments Toward Goal

1) 2008 equalized valuation	5,168,060,200
2) Property percentage	0.2956%
3) Local effort from property wealth	15,278,438
4) 2007 income	1,030,243,000
5) Income percentage	1.3682%
6) Local effort from income	14,095,438
7) Combined effort yield (row 3+ row 6)	29,373,876
8) Foundation budget FY11	49,419,910
9) Maximum local contribution (82.5% * row 8)	40,771,426
10) Target local contribution (lesser of row 7 or row 9)	29,373,876
11) Target local share (row 10 as % of row 8)	59.44%
12) Target aid share (100% minus row 11)	40.56%

13) Required local contribution FY10	31,763,033
14) Municipal revenue growth factor (DOR)	2.29%
15) FY11 preliminary contribution (13 x 14)	32,490,406
16) Preliminary contribution pct of foundation (15/8)	65.74%

If preliminary contribution is above the target share:

17) Excess local effort (15 - 10)	3,116,530
18) 30% reduction toward target (17 x 30%)	934,959
19) FY11 required local contribution (15 - 18)	31,555,447
20) Contribution as percentage of foundation (19 / 8)	63.85

If preliminary contribution is below the target share:

21) Shortfall from target local share (11 - 16)	
22) Added increment toward target (13 x 1% or 2%)*	
<i>*1% if shortfall is between 5% and 10%; 2% if shortfall > 10%</i>	
23) Shortfall from target after adding increment (10 - 15 - 22)	
24) FY11 required local contribution (15 + 22)	
25) Contribution as percentage of foundation (24 / 8)	

[See a listing of all 351 communities](#)

**Massachusetts Department of Elementary and Secondary Education
FY11 Chapter 70**

Apportionment of Local Contribution Across School Districts

258 SALEM

	SALEM	NORTH SHORE	ESSEX AGRICULTURAL	COMBINED TOTAL ALL DISTRICTS
<u>Prior Year Data (for comparison purposes)</u>				
1 FY10 foundation enrollment	4,756	109	27	4,892
2 FY10 foundation budget	47,512,497	1,598,022	383,691	49,494,211
3 Each district's share of municipality's combined FY10 foundation	96.00%	3.23%	0.78%	100.00%
4 FY10 required contribution	30,403,931	1,022,598	336,504	31,763,033
<u>Apportionment of FY11 contribution among community's districts</u>				
5 FY11 total unapportioned required contribution ("municipal contribution" sheet row 19 or 24)				31,555,447
6 FY11 foundation enrollment	4,817	111	29	4,957
7 FY11 foundation budget	47,422,424	1,595,167	402,319	49,419,910
8 Each district's share of municipality's total FY11 foundation	95.96%	3.23%	0.81%	100.00%
9 FY11 required contribution apportioned using row 8 percentages	30,280,019	1,018,541	256,887	31,555,447
10 Essex Agricultural adjustment	-86,004	-2,893	88,897	0
11 Required district contribution FY11 (lines 10 + 11)	30,194,015	1,015,648	345,784	31,555,447
12 Change FY10 to FY11 (12 - 5)	-209,916	-6,950	9,280	-207,586

Massachusetts Department of Elementary and Secondary Education

Office of School Finance

FY11 Chapter 70 Foundation Budget, Preliminary

258 SALEM

	----- Base Foundation Components -----										--- Incremental Costs Above The Base ---				TOTAL*	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)		
	Pre-School	----- Kindergarten ----- Half-Day	Full-Day	Elementary	Jr High/ Middle	High School	ELL PK	ELL K Half	ELL KF - 12	Voca- tional	Special Ed In District	Special Ed Out of Dist	---- Low Income ---- Elem	Other		
Foundation Enrollment	125	0	328	1,595	1,011	1,169	0	0	514	137	180	46	1,591	874	4,817	
1 Administration	20,790	0	109,103	530,545	336,289	388,844	0	0	170,972	45,570	413,235	105,605	0	0	2,120,953	
2 Instructional Leadership	37,548	0	197,053	958,228	607,378	702,300	0	0	308,796	82,305	0	0	0	0	2,893,608	
3 Classroom and Specialist Teachers	172,170	0	903,548	4,393,715	2,450,795	4,167,356	0	0	2,132,422	830,267	1,363,574	0	3,943,087	1,636,416	21,993,350	
4 Other Teaching Services	44,156	0	231,739	1,126,899	514,184	494,966	0	0	290,374	58,007	1,273,147	1,614	0	0	4,035,087	
5 Professional Development	6,810	0	35,752	173,887	119,480	133,944	0	0	75,846	25,953	65,777	0	86,789	47,677	771,915	
6 Instructional Equipment & Tech	24,919	0	130,777	635,942	403,096	745,740	0	0	204,937	152,944	57,413	0	0	0	2,355,768	
7 Guidance and Psychological	12,528	0	65,744	319,702	269,765	391,007	0	0	137,151	45,824	0	0	0	0	1,241,720	
8 Pupil Services	4,983	0	26,161	190,794	197,529	526,681	0	0	61,485	61,724	0	0	0	0	1,069,357	
9 Operations and Maintenance	47,810	0	250,900	1,220,079	838,432	939,993	0	0	532,288	206,170	461,605	0	608,987	334,541	5,440,806	
10 Employee Benefits/Fixed Charges	43,094	0	226,156	1,099,800	662,812	736,318	0	0	445,849	140,146	522,940	0	400,248	219,872	4,497,234	
11 Special Ed Tuition	0	0	0	0	0	0	0	0	0	0	0	1,002,660	0	0	1,002,660	
12 Total	414,806	0	2,176,933	10,649,592	6,399,761	9,227,151	0	0	4,360,118	1,648,910	4,157,690	1,109,878	5,039,111	2,238,506	47,422,456	
13 Wage Adjustment Factor	100.0%											Foundation Budget Per Pupil				9,845

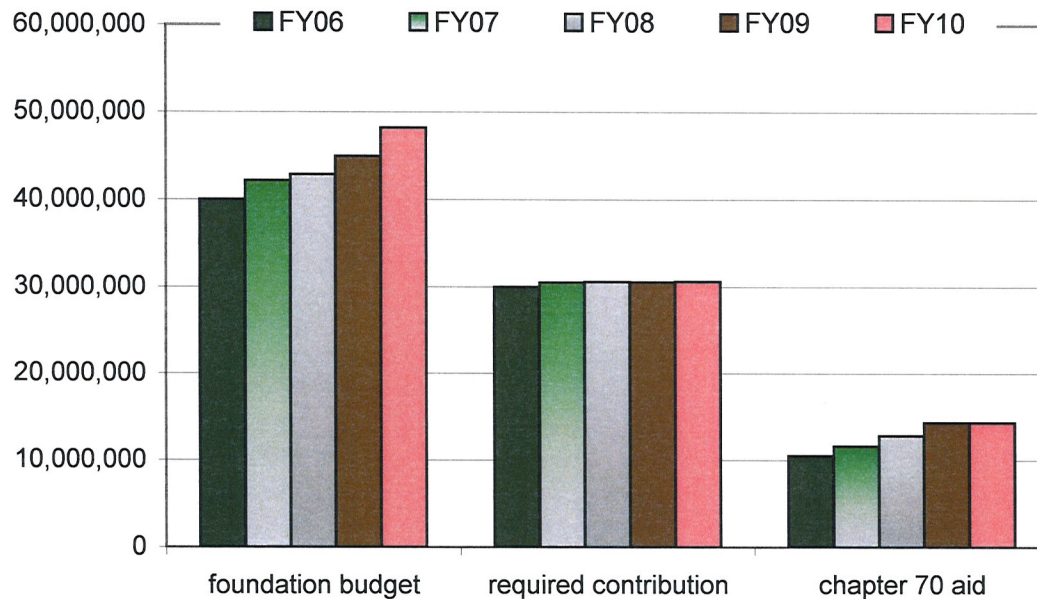
Massachusetts Department of Elementary and Secondary Education

FY10 Chapter 70, Preliminary

258 SALEM

Comparison to FY09

	FY09	FY10	Change	Pct Chg
Enrollment	4,731	4,756	25	0.53%
Foundation budget	44,915,008	48,185,714	3,270,706	7.28%
Required district contribution	30,543,822	30,599,161	55,339	0.18%
Chapter 70 aid	14,371,186	14,371,186	0	0.00%
Required net school spending	44,915,008	44,970,347	55,339	0.12%
C70 target aid share of foundation	36.93%	39.33%		
C70 actual pct of foundation	32.00%	29.82%		
NSS as pct of foundation	100.00%	93.33%		



Massachusetts Department of Elementary and Secondary Education
Determination of City and Town Total Required Contribution FY10

258 SALEM

Effort Goal

FY10 Increments Toward Goal

1) 2008 equalized valuation	5,168,060,200
2) Property percentage	0.3003%
3) Local effort from property wealth	15,519,368
4) 2006 income	983,403,000
5) Income percentage	1.5189%
6) Local effort from income	14,936,558
7) Combined effort yield (row 3+ row 6)	30,455,926
8) Foundation budget FY10	50,195,507
9) Maximum local contribution (82.5% * row 8)	41,411,293
10) Target local contribution (lesser of row 7 or row 9)	30,455,926
11) Target local share (row 10 as % of row 8)	60.67%
12) Target aid share (100% minus row 11)	39.33%

13) Required local contribution FY09	31,896,205
14) Municipal revenue growth factor (DOR)	1.77%
15) FY10 preliminary contribution (13 x 14)	32,460,768
16) Preliminary contribution pct of foundation (15/8)	64.67%

If preliminary contribution is above the target share:

17) Excess local effort (15 - 10)	2,004,842
18) 25% reduction toward target (17 x 25%)	501,211
19) FY10 required local contribution (15 - 18)	31,959,558
20) Contribution as percentage of foundation (19 / 8)	63.67

If preliminary contribution is below the target share:

21) Shortfall from target local share (11 - 16)	
22) Added increment toward target (13 x 1% or 2%)*	
*1% if shortfall is between 5% and 10%; 2% if shortfall > 10%	
24) Shortfall from target after adding increment (10 - 15 - 22)	
25) 95% of FY08 actual contribution (reg'l allocation sheet, row 10)	
26) Lesser of target or 95% of FY08 contribution (10 or 25)	
27) Increment to reach target or 95% of FY08 (26 - 15 - 24)	
28) FY10 required local contribution (15 + 22 + 27)	
29) Contribution as percentage of foundation (28 / 8)	

**Massachusetts Department of Elementary and Secondary Education
FY10 Chapter 70, Preliminary**

Apportionment of Local Contribution Across School Districts

258 SALEM

	SALEM	NORTH SHORE	ESSEX AGRICULTURAL	COMBINED TOTAL ALL DISTRICTS
<u>Prior Year Data (for comparison purposes)</u>				
1 FY08 actual local contribution*	38,096,221	1,569,364	204,675	39,870,260
2 FY09 foundation enrollment	4,731	117	20	4,868
3 FY09 foundation budget	44,915,008	1,633,518	272,424	46,820,950
4 Each district's share of municipality's combined FY09 foundation	95.93%	3.49%	0.58%	100.00%
5 FY09 required contribution	30,543,822	1,110,851	241,532	31,896,205
<u>Apportionment of FY10 contribution among community's districts</u>				
6 FY10 total unapportioned required contribution ("municipal contribution" sheet row 19 or 28)				31,959,558
7 FY10 foundation enrollment	4,756	109	27	4,892
8 FY10 foundation budget	48,185,714	1,620,665	389,128	50,195,507
9 Each district's share of municipality's total FY10 foundation	96.00%	3.23%	0.78%	100.00%
10 FY10 required contribution apportioned using row 9 percentages	30,679,920	1,031,880	247,758	31,959,558
11 Essex Agricultural adjustment	-80,759	-2,716	83,475	0
12 Required district contribution FY10 (lines 10 + 11)	30,599,161	1,029,164	331,233	31,959,558
13 Change FY09 to FY10 (12 - 5)	55,339	-81,687	89,701	63,353

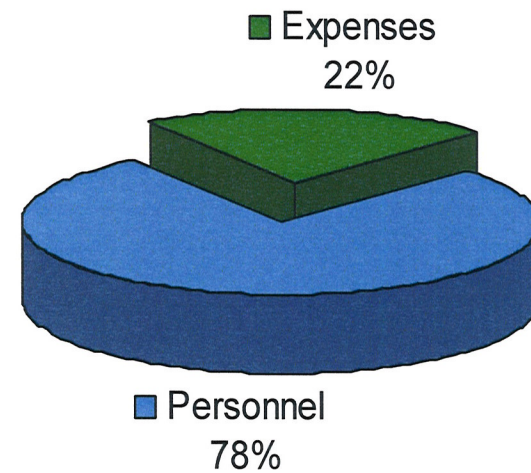
*actual contributions as reported to ESE on each district's End of Year Financial Report, Schedules 2 and 19

ADOPTED BUDGET GENERAL FUND- SCHOOLS

FY 2012

GENERAL FUND

• Personnel	\$ 38,190,294
• Expenses	<u>10,695,706</u>
• TOTAL	\$48,886,000



■ Personnel

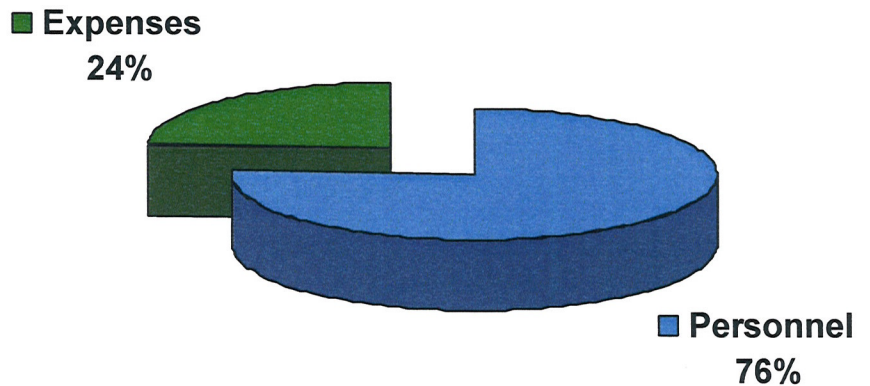
■ Expenses

ADOPTED BUDGET GENERAL FUND - SCHOOLS

FY 2011

GENERAL FUND

• Personnel	\$35,656,805
• Expenses	<u>11,343,195</u>
• TOTAL	\$47,000,000



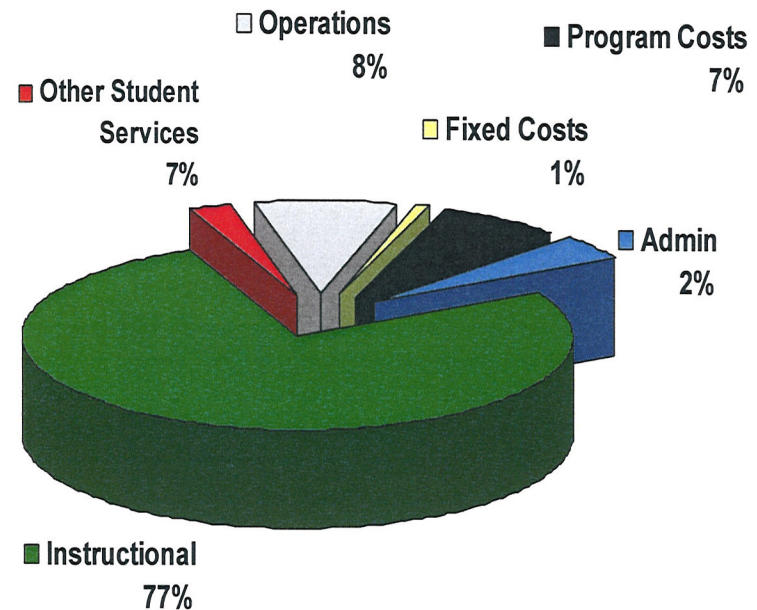
■ Personnel ■ Expenses

ADOPTED BUDGET GENERAL FUND- SCHOOLS

FY 2012

GENERAL FUND

- Administration \$ 2,180,303
- Instr Serv \$37,468,617
- Oth Student Serv \$ 1,246,110
- Op & Maint \$ 4,015,585
- Fixed Costs \$ 475,000
- Prog Oth District \$ 3,500,385
- **TOTAL \$48,886,000**



ADOPTED BUDGET GENERAL FUND- SCHOOLS

FY 2011

GENERAL FUND

- Administration \$ 1,065,117
- Instr Serv \$33,248,816
- Oth Student Serv \$ 3,884,641
- Op & Maint \$ 4,437,604
- Fixed Costs \$ 415,000
- Prog Oth District \$ 3,948,822
- **TOTAL \$47,000,000**

