

SECTION VII

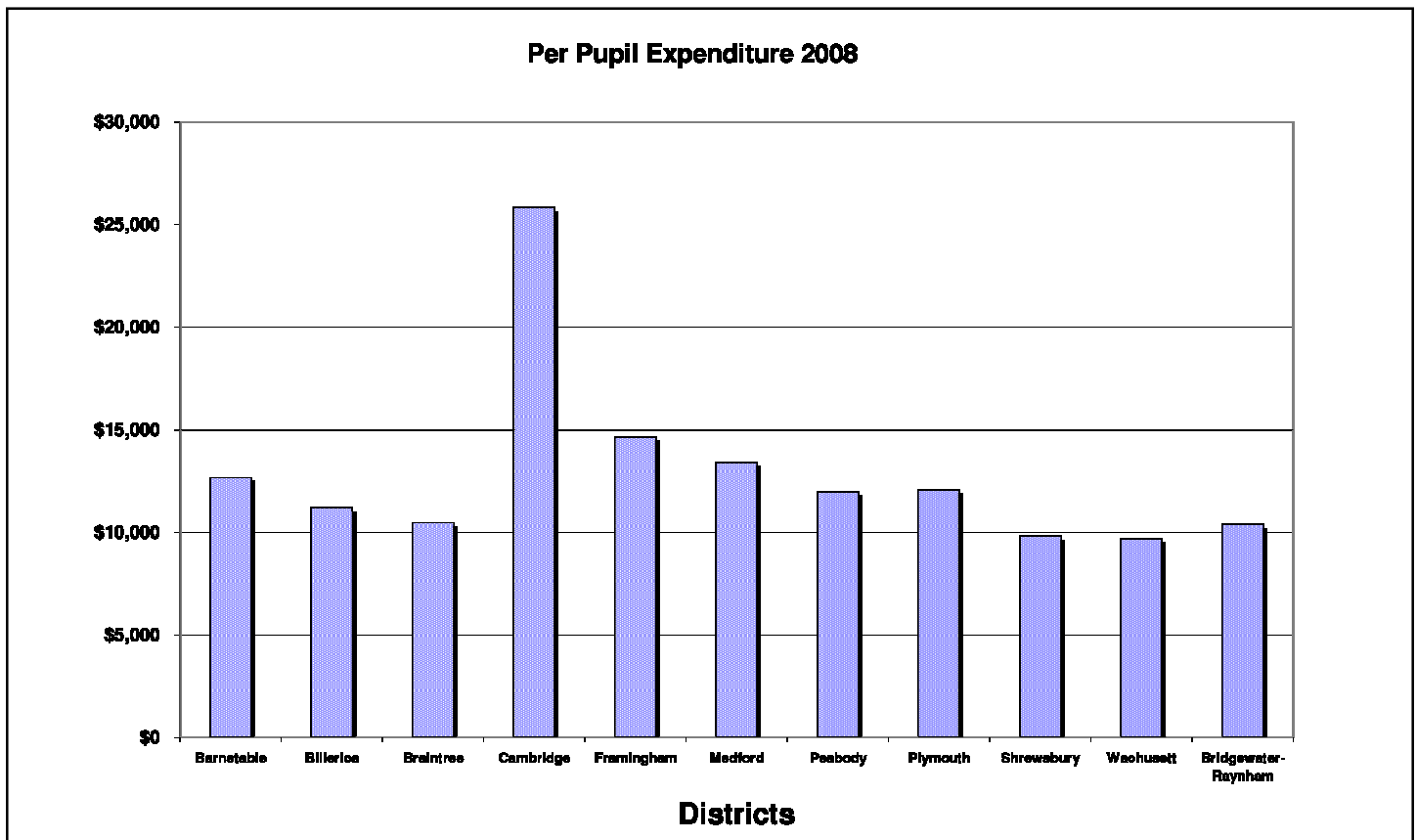
SUPERINTENDENT'S FY 10 BUDGET MESSAGE

Typically the District's Budget Narrative, a report that provides a summary of the appropriation that was considered at the Annual Town Meetings, occupies this space in the Annual Report. This year, however, that document is irrelevant because, having been written in the early part of the budget season, its relevance was lost as state revenue shortfalls forced the District literally into survival mode. A quick look at the decline in state revenues will illustrate my point. In January, the District budgeted \$28,076,788 in state revenues based upon the Governor's Budget. By May this number had shrunk to \$25,678,809, a reduction of 2.3 million dollars. The reader should note that Federal Stimulus Funds, which are accounted for in this total loss, did not offset this reduction. Instead the reduction in revenue was met by drastic cuts in spending.

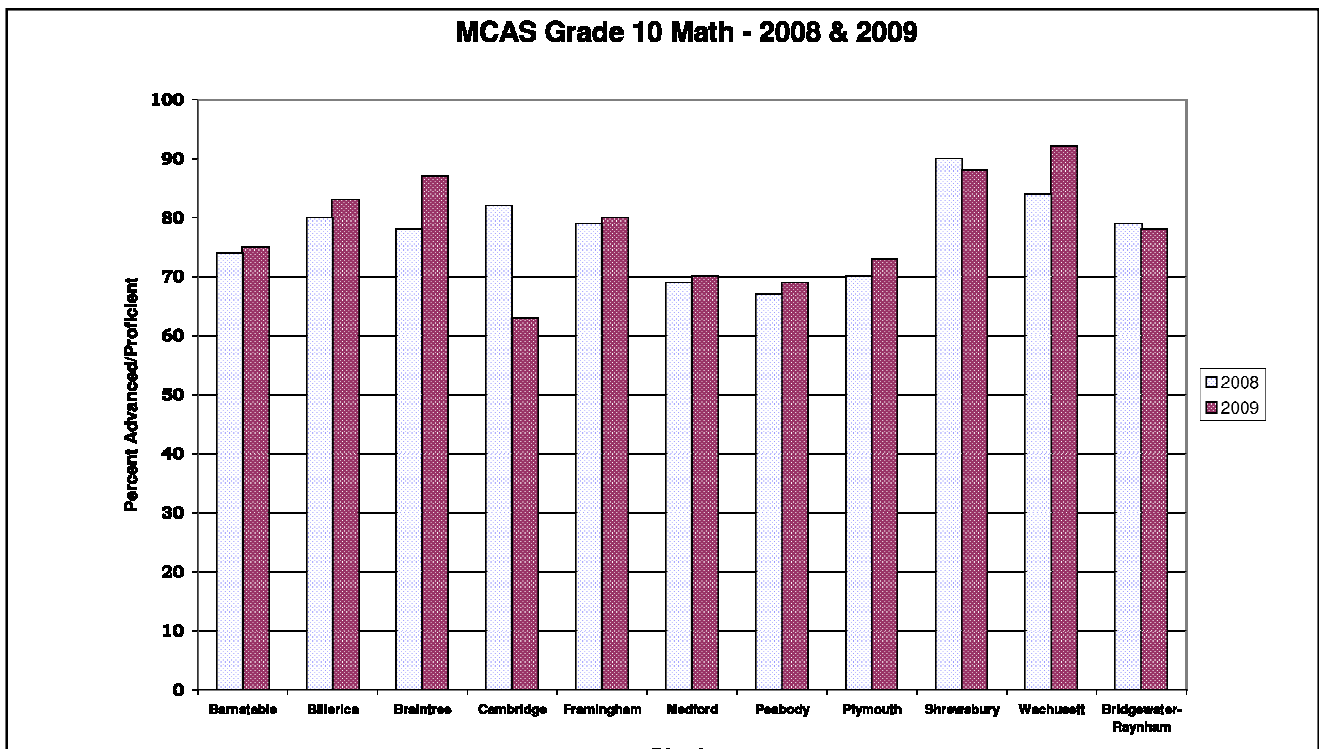
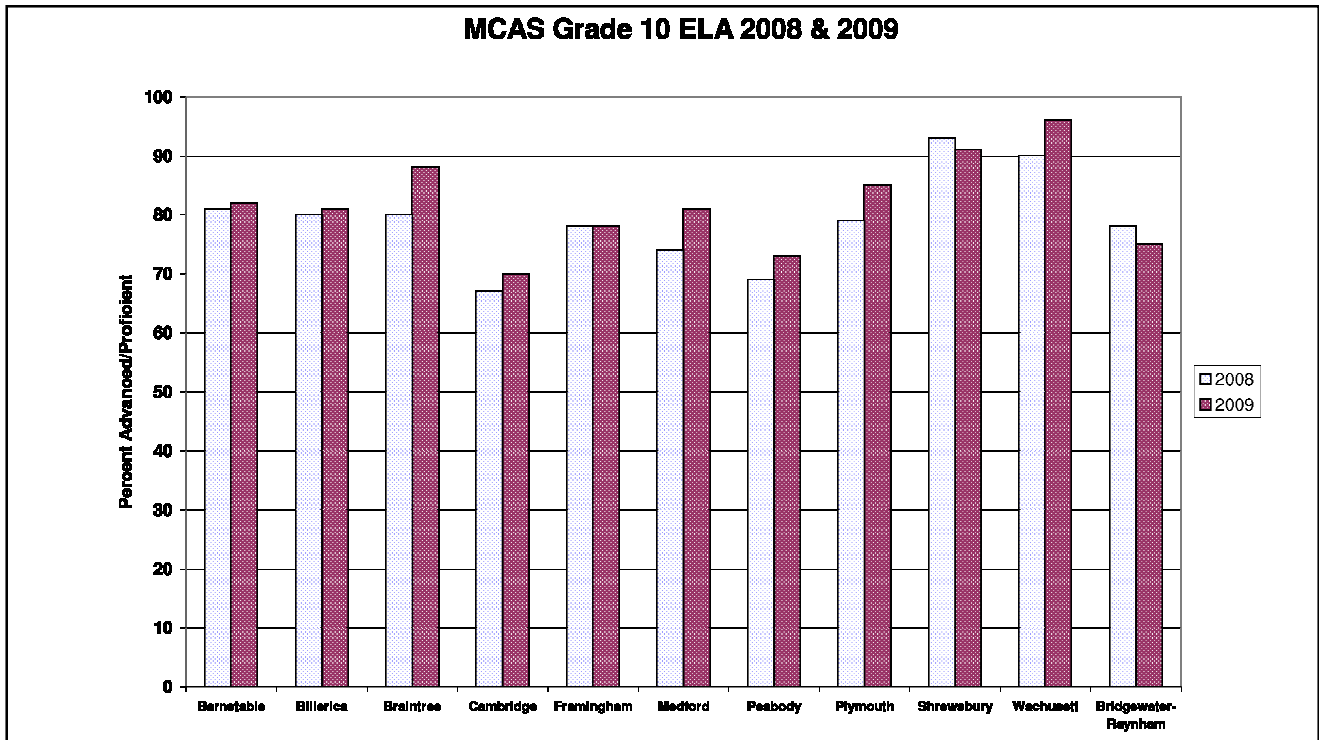
Prominent among these reductions were cuts to the personnel account, a great portion of which were comprised of voluntary concessions made by the employees of the Wachusett Regional School District. Salary freezes, step freezes and furlough days combined to reduce personnel expense by \$876,923, saving scores of positions throughout the District. Unfortunately, the generosity of our employees could

not prevent the loss of positions as our revenue shortfall was too great. The District was forced to reduce nineteen teaching positions in schools across the District and the result is larger class sizes and fewer course offerings. Even this was not sufficient and the District had to cut 21.5 aide positions to bring its budget into balance. With all the reductions that were on the table at various times last spring, our students are fortunate that conditions are not worse; however, the regional community needs to be aware that it will be difficult for the District to hold its costs to the level that was attained this year because there is little left to cut.

It is the position of the administration of the District that our schools provide a great deal of value to the community. It is our belief that we spend comparatively little and our students achieve at a very high level. This point is illustrated by the following analysis. Each year the State tracks per pupil spending and recently has placed school districts in comparative cohorts. The state constructs these cohorts on the basis of district structure, wealth and enrollment. The following graph depicts the relative per pupil expenditures of our cohort.



You will note that the Wachusett District spends less than any other district in its cohort; in some cases the difference is extraordinary. The fact that the District makes excellent use of the funds it is given is depicted by a graph that shows tenth grade MCAS achievement among cohort schools.



You will note that Wachusett under spends, and this year outperformed, each school in its cohort. **This defines value.**

The passage of the FY10 budget is behind us and the development of the FY11 appropriation is set to begin. As we move through the process this year, it is our hope, as the District is mindful of fiscal realities, that Member Towns will appreciate the reductions that have been made, as well as the value that has been added to the education of our students.