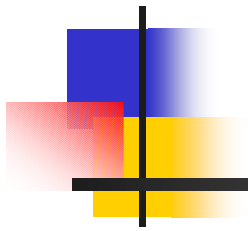


Helicopter View of Newton's School Budget



June 1, 2008

NEWTON PUBLIC SCHOOLS

WHAT DRIVES THE NEWTON SCHOOL BUDGET?

- Student Enrollment
- Student Needs
- Contractual Salaries & Benefits (Health)
- Utilities Costs and Maintenance Needs

NEWTON PUBLIC SCHOOLS

ENROLLMENT GROWTH - FY03 TO FY08

+438 Elementary Students (9%) over 5 years

+76 Kindergarten Students (10%) over 5 years

+612 Students (6%) over 10 years (FY98-FY08)

+280 Students (2%) over 5 years (FY03-FY08)

NEWTON PUBLIC SCHOOLS



RECENT GROWTH IN ENGLISH LANGUAGE LEARNERS FY06 TO FY08

+137 students (26%) over 2 years

+106 elementary students (30%) over 2 years

+31 secondary students (19%) over 2 years

NEWTON PUBLIC SCHOOLS

CHANGES IN SPECIAL EDUCATION NEEDS FY04 TO FY08

+96% (65 students) over four years and +29% (30 students) over two years (FY06 to FY08) in high level needs for autism and other impairments

+71% (67 students) over four years and +35% (42 students) over two years (FY06 to FY08) in all students with autism



NEWTON PUBLIC SCHOOLS
CHANGES IN SPECIAL EDUCATION COSTS
FY06 to FY08

Cost increases over two years include:

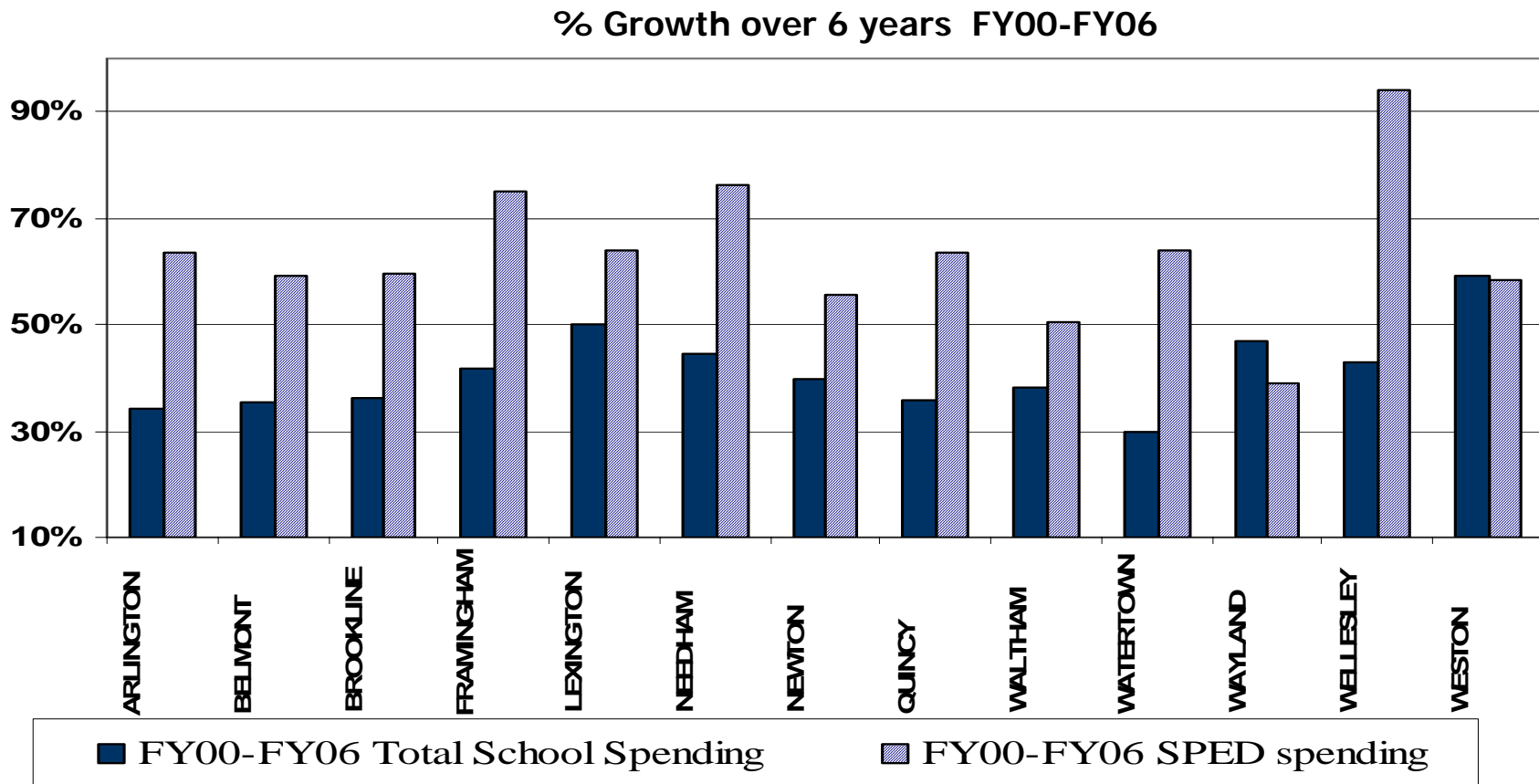
+17% increase in out-of-district tuition

+25% increase in transportation

+25% increase in in-district inclusion
(teachers and aides for inclusion)

NEWTON PUBLIC SCHOOLS

HOW DOES NEWTON'S SPECIAL EDUCATION COST INCREASE COMPARE TO OTHER TOWNS?



***FY07 Update: At 21.8%, Newton ranks 80th of 298 statewide districts reporting on Special Education expenses as a percentage of total budget.**

NEWTON PUBLIC SCHOOLS



TEN YEAR COST TRENDS IN BUDGET DRIVERS FY98 TO FY08

+146% increase in utilities (electricity, gas and heating oil)

+154% increase in benefits

+58% increase in out-of-district tuition

NEWTON PUBLIC SCHOOLS

EFFICIENCIES ACHIEVED

Reorganization of Education Center

Consolidation of Bus Routes

Collaborative Purchasing for furniture and professional development

Consolidation of Special Education Programs

Aggressive pursuit of e-rate reimbursements as well as Federal, State and private grants

School/City collaboration of maintenance and repair requests, I.T. solutions and Human Resources administration

Participation in Medicaid Reimbursement Program

Purchasing through City's management software

Environmental programs to reduce paper usage

Monthly detailed utilities reporting and pursuit of energy savings