

February/March 2007

## BPS Budget Proposes Slight Growth

*Collective bargaining costs will add to a budget already pressured by employee benefits*

The Boston Public Schools (BPS) FY08 preliminary budget totals \$747.1M, an increase of \$13.2M or 1.7%. Not included are collective bargaining costs that will raise the final budget for both FY07 and FY08. This budget is driven primarily by the increased cost for health insurance which represents 56% of the total budget increase. The budget provides for an increase of approximately 50 positions, primarily teachers and aides.

**Boston Public Schools Budget**  
Figures in Millions

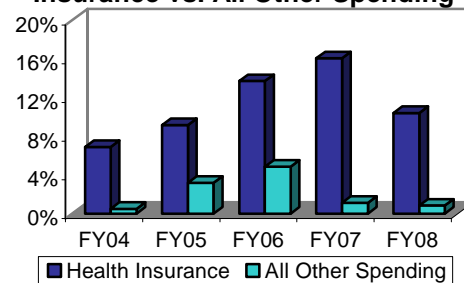
	Budget FY07	Budget FY08	% Increase
Salaries	\$467.7	\$468.5	0.2%
Benefits	105.2	110.4	5.0%
Transportation	62.4	67.1	7.6%
Property Services	46.9	46.2	-1.5%
Purchased Services	39.6	39.6	0.0%
All Others	12.8	15.3	19.8%
<b>Total</b>	<b>\$734.5</b>	<b>\$747.1</b>	<b>1.7%</b>

Employee salaries, excluding raises from collective bargaining, are budgeted to increase by \$0.8M. Salary step increases for teachers not at maximum salary totaled \$8.5M, but were partially offset by retirements, as retirees are replaced with new employees hired at a lower starting salary. Salary increases, when finalized, will add significantly to the amount currently budgeted. The Boston Teachers Union (BTU) contract increases salaries by 14% over 4 years.

Employee benefits add to the pressure on the FY08 budget, with health insurance alone increasing by \$7.0M or 10.4%, while total benefits increased by 5.0%. This continues

the trend of health insurance costs absorbing a greater share of the total budget. In FY08, health insurance accounts for 10.0% of the BPS budget compared to just 6.7% in FY03.

**Percentage Increase in Health Insurance vs. All Other Spending**



Transportation costs are budgeted at \$67.1M, an increase of \$4.8M or 7.6% over the prior year, primarily due to cost increases for MBTA passes and salary increases for bus drivers.

Policy initiatives to address the achievement gap include:

- Continued K1 expansion, with 23 additional classes opening in FY08
- 8 new Family and Community Engagement Outreach Coordinators
- 12 to 14 more English Language Learner certified teachers

Increased support for teachers comes in the form of funding for the Boston Teacher Residency Program and academic coaching.

Link to the [BPS FY08 proposed budget](#)