

**Malden School Committee  
Budget Subcommittee Meeting  
April 3, 2017**

The subcommittee had hoped, and were told that by beginning of April, we would have a number to work with. In the absence of that, Mr. Koocher will give us an overview of Chapter 70 funding.

- Foundation budget determines legal level of adequacy. Arrived at by multiplying per pupil expenditure in specific categories by number of students.
- Additional funds for certain high need groups.
- Assumed that one percent of students are out of district placements.
- Foundation budget for district can be found online.
- Next calculation is to determine Malden's ability to pay for foundation budget.
- Takes into account real estate values and net income earned by residents of Malden (determination of wealth).
- Determines how much of foundation budget we can pay.
- Wealthier communities 80 plus percent.
- Distressed communities, can be as low as 10 percent.
- State gives you the difference.

Foundation budget is based on calculations originated in 1993. Believe it is about 20 percent understated.

Health insurance considerations have not risen fairly, and retiree costs.  
Health care costs grow at double the rate of inflation.

Every child that goes to a charter school takes the chapter 70 money with them.

Net School Spending - foundation budget plus  
Anything you spend above foundation budget is net school spending  
State has not enforced net school spending.

\$69,285,608.62