

Newburyport Public Schools

A group of approximately ten young women and one adult male are standing in a field of tall, golden-brown grasses. They appear to be engaged in an outdoor activity or field study. In the background, there is a large body of blue water, and further back, a town with buildings and a water tower is visible under a clear blue sky. The overall scene is bright and sunny.

FY '24 Preliminary Budget Presentation



The goal of the FY '24 budget is to maintain our foundational programs while continuing to invest in a reimagined future.

**physically,
socially,
emotionally well**

**literate across all
disciplines**

**creative,
innovative,
collaborative
problem solvers**

NPS Portrait of a Graduate

civically engaged

**prepared for life
after graduation**



Our strategic theme is to *reimagine*, reminding us that continuous learning and a cycle of improvement are the hallmarks of effective educational decision-making.

Reimagine...

- 1. Teaching and Learning
- 2. Supports so all Students are Ready and Able to Learn
- 3. A Culture of Self Discovery and Personal Achievement
- 4. Organizational Design and Operations
- 5. An Active Community of Stakeholders



FY24 Preliminary Budget Overview

The State Budget Process Impacts Local School Budgets

- Consensus Revenue Estimate - December • GOVERNOR'S BUDGET - END OF JANUARY
 - Incoming governors have until the end of February
- House Ways and Means - EARLY APRIL
- House Final - APRIL
- Senate Ways and Means - APRIL OR MAY • SENATE FINAL - MAY OR JUNE
- Conference Committee - JUNE
- Governor's Approval - JUNE OR JULY
- Legislative Vetos - JULY

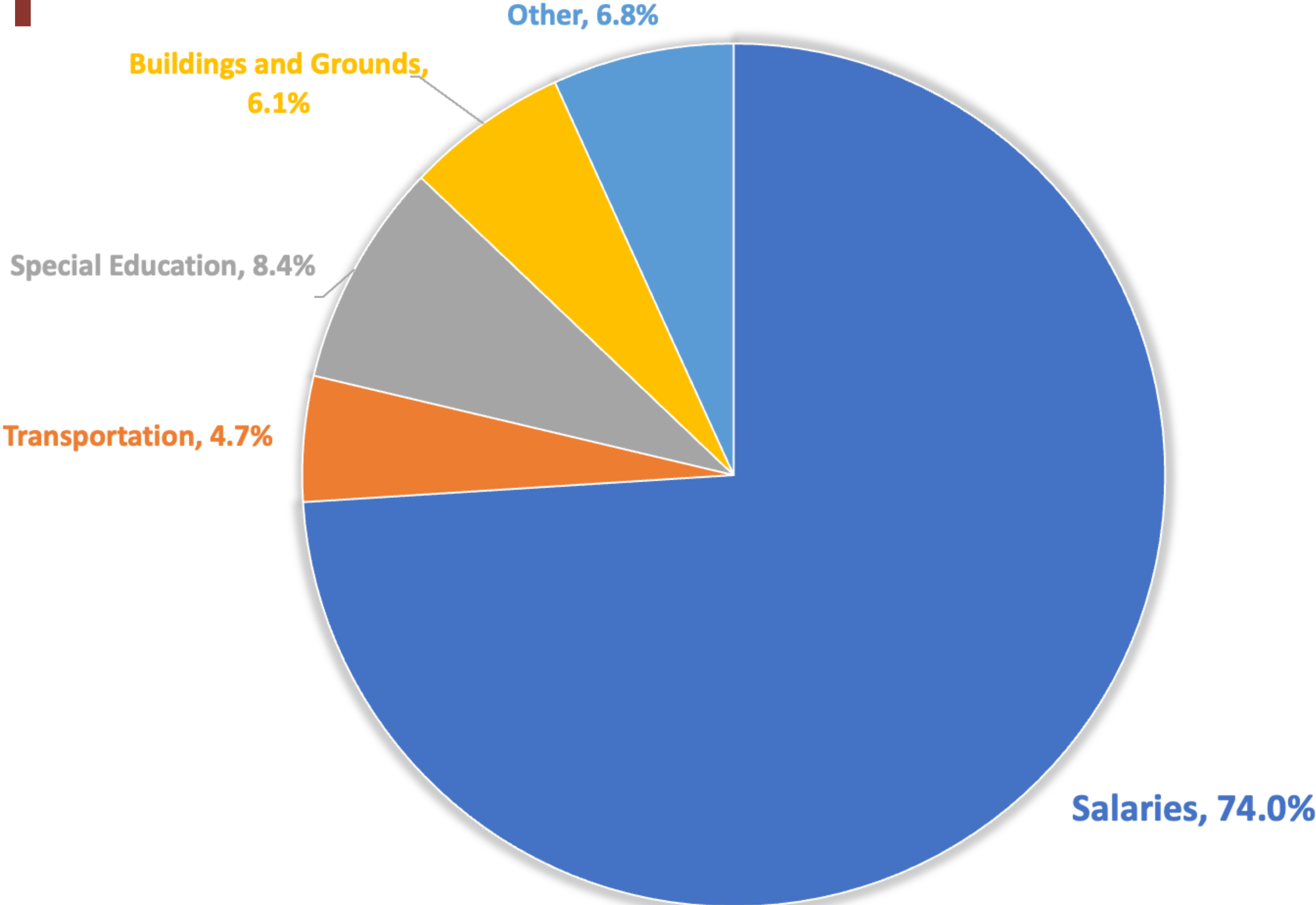
These State Level Decisions Impact Local Budgets: Circuit Breaker, Entitlement Grants, Chapter 70

Level Service Budget Drivers

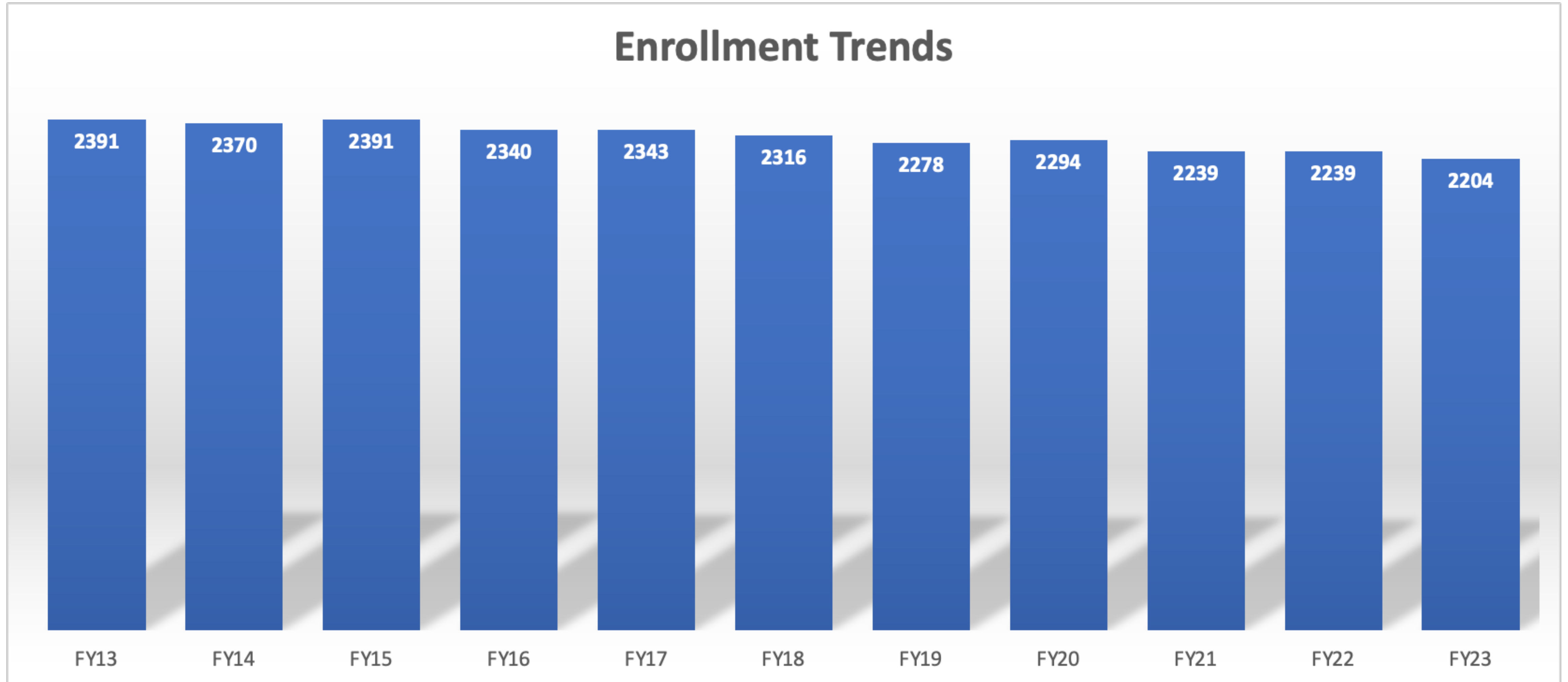
What **drives** the budget increase year-to-year is fairly consistent, and typically includes:

- **Enrollment Trends** or population changes
- **Salary** increases due to contractual obligations, including Steps and Cost-of-living increases.
- **Operations and Maintenance:** Service contracts, Building and Grounds Maintenance, Supply and Equipment needs, and Utility costs.
- **Special Education** (especially Out-of-District Tuition).
- **Fees and Grants:** Fluctuations in the use of outside revenue sources, such as User Fees and Grants.

With a 40.1 million dollar budget, here is how we allocate our resources...



NPS enrollment is staying steady



Funding Sources

- **City Allocation**
- **School Choice** (annual fees paid by towns who have students attending NPS)
- **Circuit Breaker** (MA state reimbursement for high-need special education student costs)
- **Entitlement Grants** (non competitive grants that all districts are entitled to based on student demographics)
- **Revolving Accounts** (fees: athletic, transportation, preschool)
- **ESSER III**

FY'23 Overview

City	Choice	Circuit Breaker	Entitlement Grants	Revolving Accounts	ESSER II	ESSER III	Total
35,154,239	795,100	1,409,318	700,000	850,860	175,626	1,050,224	40,135,367

Salaries

FY24 Contractual Obligations

Description	City	Choice	Circuit Breaker	Entitlement Grants	Revolving Accounts	ESSER II	ESSER III	Total
FY23 Adopted	35,154,239	795,100	1,409,318	700,000	850,860	175,626	1,050,224	40,135,367
Contractual Increases	370,000	Projected Step and Lane Increases						370,000
COLA Increases	650,000	NTA, IA, AFSCME and nonunion						650,000

Operations

Nonpersonnel Changes

Description	City	Choice	Circuit Breaker	Entitlement Grants	Revolving Accounts	ESSER II	ESSER III	Total
FY23 Adopted	35,154,239	795,100	1,409,318	700,000	850,860	175,626	1,050,224	40,135,367
Non Personnel Expenses	200,000							200,000

Expenses outside of salaries and special education. Estimating increase in expenses due to inflation.

Special Education

Special Education Tuition

- Recently, the Operational Services Division (OSD) of the State's Executive Office of Administration and Finance determined that Massachusetts approved special education private school tuition rates should increase by 14% in FY24.
- In the last 13 years the OSD rate increase averaged under 2% annually, so a rate increase of 14% for the next school year will significantly and negatively impact all FY24 budgets in Massachusetts public school districts which send students to out of district placements in approved special education schools both in and out of state. The rate would go into effect July 1, 2023.

Circuit Breaker Funding

- State funding rose from \$373M in FY22 (full funding) to \$441M in FY23
 - FY23 funding expected to be at full funding (75% reimburse)
 - Operational Services Division (OSD) out-of-district rates proposed to rise 14% in FY24
- Massachusetts is exploring ways to push for more special education funding to respond to the rate increase

FY24 Special Education Projections

Description	City	Choice	Circuit Breaker	Entitlement Grants	Revolving Accounts	ESSER II	ESSER III	Total
FY23 Adopted	35,154,239	795,100	1,409,318	700,000	850,860	175,626	1,050,224	40,135,367
Special Education Tuition			500,000					
Placement Changes			800,000					

Increases due to an estimated 14% increase in tuition rates

Addressing Special Education Costs

- Circuit Breaker
- School Choice
- Student Matriculation
- Medicaid
- In-district Program Development

FY24 Choice Fund

Description	City	Choice	Circuit Breaker	Entitlement Grants	Revolving Accounts	ESSER II	ESSER III	Total
FY23 Adopted	35,154,239	795,100	1,409,318	700,000	850,860	175,626	1,050,224	40,135,367
Replacement of Choice Funds	195,100	-195,000						

Fund used toward FY23 salaries

Fund balance allows district to allocate 600,000 a reduction of 195,100 from FY23

City Funds Replacement

First Pass FY24 Projected Level Services

Description	City	Choice	Circuit Breaker	Entitlement Grants	Revolving Accounts	ESSER II	ESSER III	Total
FY23 Adopted	35,154,239	795,100	1,409,318	700,000	850,860	175,626	1,050,224	40,135,367
Level Service Change	1,415,100	(195,100)	1,300,000	-	-	(175,626)	-	2,344,374
Level Service Total	36,569,339	600,000	2,709,318	700,000	850,860	-	1,050,224	42,479,741
% Chg FY24 Level Service to FY23 Approved	4.0%	(24.5%)	92.2%	0.0%	0.0%	(100.0%)	0.0%	5.8%

Next Steps

- Budget Holder Presentations to School Committee
- Capital Plan Presentation/MSBA Updates
- Overall Preliminary Budget Presentation (end of February)