

# Newburyport Public Schools



## 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**



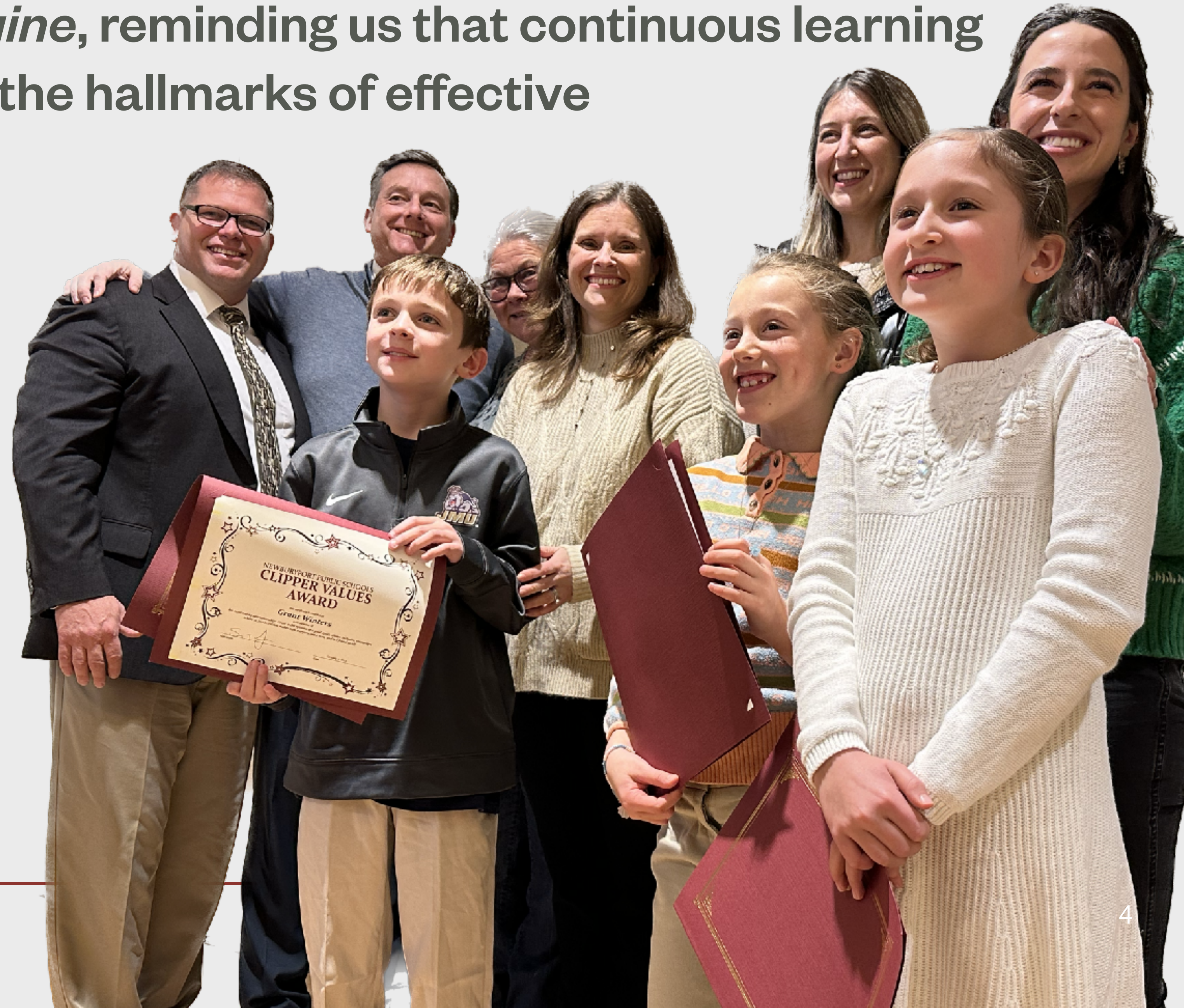


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Our strategic theme is to *reimagine*, reminding us that continuous learning and a cycle of improvement are the hallmarks of effective educational decision-making.

***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





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# **FY24 Preliminary Budget Overview**

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# 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**

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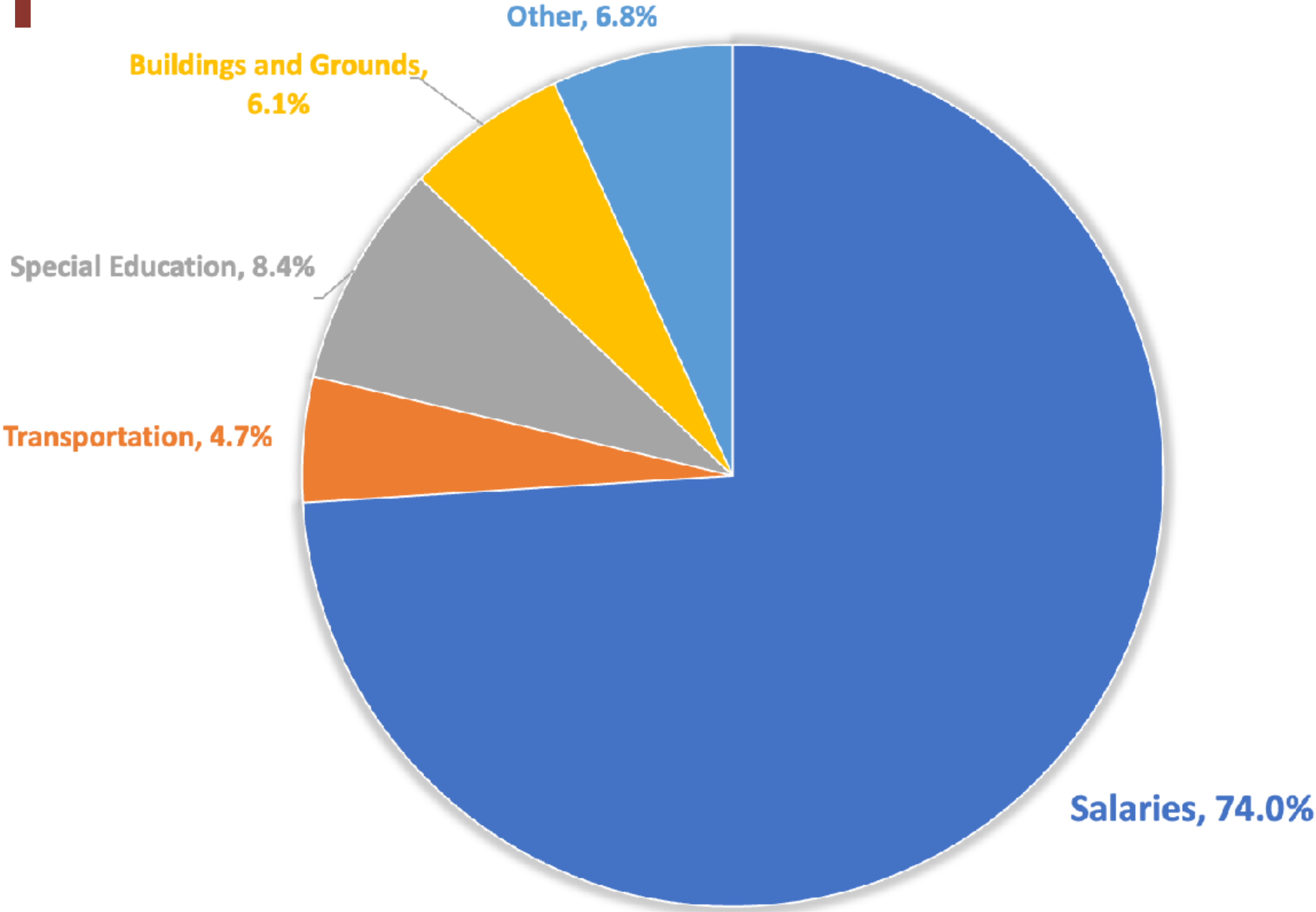
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# Level Service Budget Drivers

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

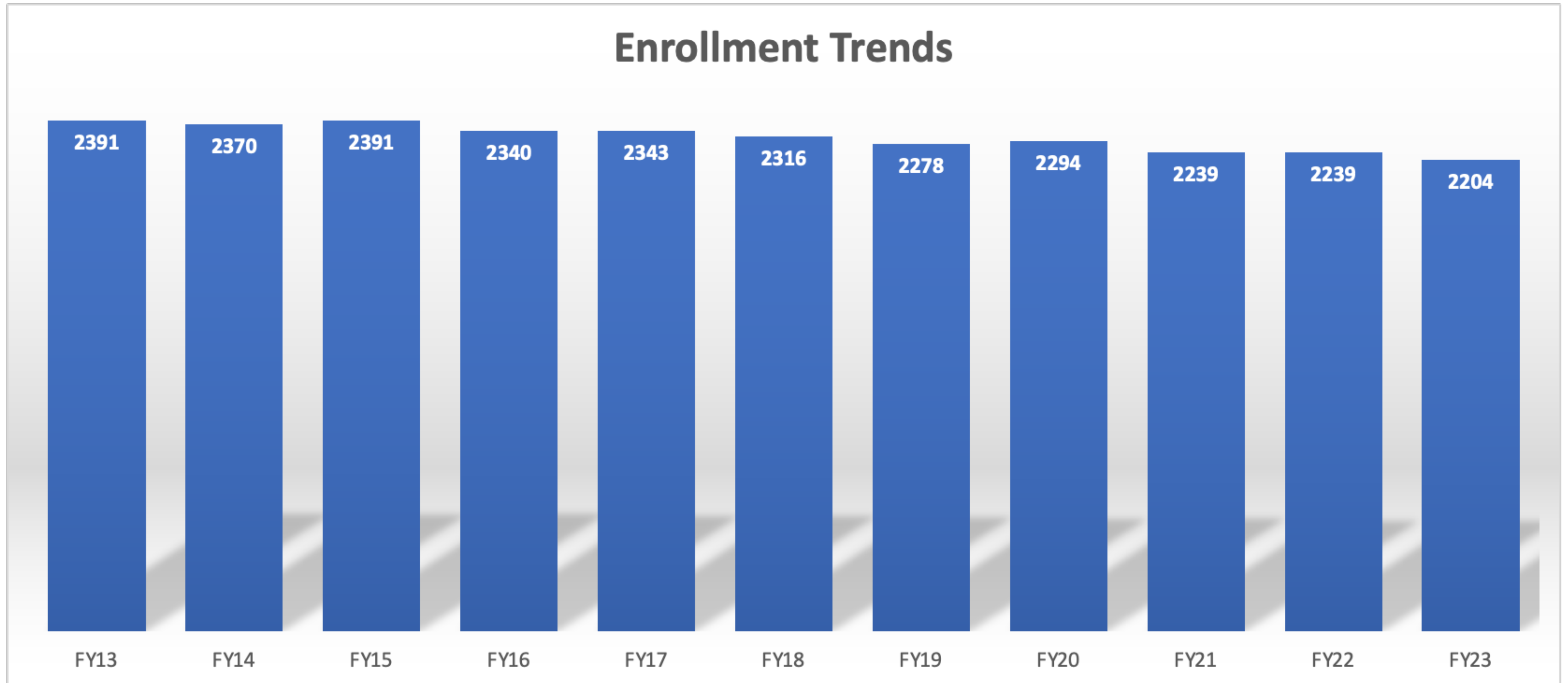
- **Enrollment Trends** or population changes
- **Salary** increases due to contractual obligations, including Steps and Cost-of-living increases.
- **Operations and Maintenance:** Service contracts, Building and Grounds Maintenance, Supply and Equipment needs, and Utility costs.
- **Special Education** (especially Out-of-District Tuition).
- **Fees:** 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





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# 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**



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# 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



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# 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



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# Operations



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# 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.



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# Special Education



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# 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.



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# Circuit Breaker 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	Increases due to an estimated 14% increase in tuition rates				
Placement Changes			800,000					



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# 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
<b>FY23 Adopted</b>	35,154,239	795,100	1,409,318	700,000	850,860	175,626	1,050,224	40,135,367
<b>Level Service Change</b>	1,415,100	(195,100)	1,300,000	-	-	(175,626)	-	2,344,374
<b>Level Service Total</b>	36,569,339	600,000	2,709,318	700,000	850,860	-	1,050,224	42,479,741
<b>% Chg FY24 Level Service to FY23 Approved</b>	4.0%	(24.5%)	92.2%	0.0%	0.0%	(100.0%)	0.0%	5.8%

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# Next Steps

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



