

FY25 South Hadley  
Public Schools  
Appropriation  
Committee Presentation

# Agenda

Mission

Revolving Accounts

Grant Accounts

State Funding

Proposed Budget

A Balanced Budget

# Executive Summary

- The 2025 budget reflects another step in the district's review, refinement, and reorganization process.
  - Continuous review of programs, curriculum and instruction, personnel and service delivery
  - Considerations of significant external aid impacts and internal budgetary drivers
  - Budget reflects careful, substantive and necessary challenge to business-as-usual budget development
- The goal of the FY25 budget is to continue to support an inclusive and innovative educational environment for South Hadley Students while at the same time maximizing the use of taxpayer dollars to maintain the district's future financial flexibility and viability.

# Revolving Accounts

# Circuit Breaker Reimbursement

- **What is the Circuit Breaker Program?**

- The state special education reimbursement program, commonly known as the circuit breaker program, was started in FY04 to provide annual assistance to public school districts to offset the cost of providing high-cost special education services.
  - The program operates in accordance with Massachusetts General Law Chapter 71B section 5A and School Finance Regulations 603 CMR 10.07.

- **What district expenses are reimbursable under the program?**

- In general, the program reimburses districts for special education tuition and instructional expenses as outlined in a student's Individual Education Plan (IEP).
  - For specific language around qualified costs, please refer to 603 CMR 10.07.

- **How are reimbursements calculated through the Circuit Breaker program?**

- Generally, more than 85% of claims are for tuition at out-of-district programs. The next largest claim category is for transportation to get to those out-of-district programs. The smallest category of claims is for in-district services because for many districts it is unusual for in-district services for any single student to exceed the claiming threshold.

- **What is this year's threshold?**

- The threshold for FY25 is \$52,419, which is an increase of 1.35% over last year's threshold.

For more information regarding Circuit Breaker please visit:

<https://www.doe.mass.edu/finance/circuitbreaker/default.html>

## South Hadley Public Schools

### Circuit Breaker Historical Revenues and Expenditures

	<u>Beginning</u> <u>Balance</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Ending</u> <u>Balance</u>
FY05	Balance	340,347	176,726	89,533
FY06	89,533	387,635	371,856	105,313
FY07	242,546	426,534	503,205	165,876
FY08	165,876	528,098	474,566	219,408
FY09	219,408	578,881	483,617	314,672
FY10	314,672	281,432	312,543	283,561
FY11	283,561	283,879	396,604	170,836
FY12	170,836	535,215	369,904	336,147
FY13	336,147	670,545	654,216	352,476
FY14	352,476	557,929	354,306	556,099
FY15	556,099	450,528	558,068	448,559
FY16	448,559	466,103	450,769	463,893
FY17	463,893	561,098	567,539	457,452
FY18	457,452	626,343	463,167	620,627
FY19	620,627	649,002	633,073	636,557
FY20	636,557	549,728	767,979	418,306
FY21	418,306	596,260	418,306	596,260
FY22	596,260	815,741	704,140	707,861
FY23	707,861	1,268,289	1,344,470	631,680
FY24	631,680	1,353,600	1,565,530	419,750
FY25	<i>Estimated</i>	1,556,640	1,833,525	142,865

*assumes for now that FY25 revenue = FY24 DESE initial calculation multiplied by 14%*

**Notes:**

1. FY25 revised revenue is based on the most recent DESE data.

## Special Education Tuition History

	<u>Local *</u>	<u>94-142 Grant</u>	<u>CB</u>	<u>Total</u>
FY15 Actual	230,163	574,260	558,068	<b>1,362,491</b>
FY16 Actual	165,233	556,010	450,769	<b>1,172,012</b>
FY17 Actual	513,684	568,812	567,539	<b>1,650,035</b>
FY18 Actual	554,156	475,073	463,167	<b>1,492,396</b>
FY19 Actual	428,205	645,133	633,073	<b>1,706,411</b>
FY20 Actual	532,794	592,963	767,979	<b>1,893,736</b>
FY21 Actual	1,121,466	609,228	418,306	<b>2,149,000</b>
FY22 Actual	1,222,887	599,950	746,260	<b>2,569,097</b>
FY23 Actual	920,667	609,818	1,344,470	<b>2,874,955</b>
FY24 Estimated	807,717	622,704	1,565,530	<b>2,995,951</b>
FY25 Proposed	533,512	622,704	1,833,525	<b>2,989,741</b>

\* Actual expense is based on payments in the year they are made.

\*updated 4/1/2024 based on FY23 actuals and current FY24 estimates

# School Choice

- **What is School Choice?**

- The inter-district school choice program under G.L. c. 76, § 12B, allows families to enroll their children in schools in communities other than the city or town in which they reside. Tuition is paid by the sending district to the receiving district. Districts may elect not to enroll school choice students if no space is available and also may choose to only enroll school choice in specific grades based on projected enrollment.

- **What is the reimbursement that the district receives for accepting School Choice students?**

- The regular day school choice tuition rate is \$5,000 per student for school districts. An incremental cost is also added to the tuition for each special education student reflecting the additional cost of the services that they are receiving.
- Is the town also responsible for the tuition cost for any South Hadley residents that school choice to another district?
  - Yes, the town of South Hadley is responsible to cover the cost of tuition and incremental cost for any special education services for any student that chooses to school choice to another district.

**For more information regarding School Choice Finance please visit:**

<https://www.doe.mass.edu/finance/schoolchoice/default.html>

## School Choice Budget FY25

Teacher Salaries	FY21	FY22	FY23	FY24	FY25
High School	95,763	423,745	436,289	483,727	199,175
Middle School	101,855	193,411	242,058	177,457	170,409
Mosier	124,909	273,513	371,358	403,476	77,799
Plains	88,337	153,945	181,279	206,762	206,548
<b>Total School Choice Budget</b>	<b>410,864</b>	<b>1,044,614</b>	<b>1,230,984</b>	<b>1,271,422</b>	<b>653,931</b>

# School Choice Positions FY24 and FY25

## FY24

- High School
  - 7 teachers (special education, math, Spanish, ELA, and Art)
- MESM
  - 3.3 teachers (science, math, social studies, BCBA)
- Mosier
  - 4.5 teachers (classroom teachers, reading coach, BCBA)
- Plains
  - 3.3 teachers (classroom, reading coach)

## FY25

- High School
  - 3 teachers (special education, math, ELA)
- MESM
  - 2 teachers (math, social studies)
- Mosier
  - 1 teacher ( classroom teacher)
- Plains
  - 3 teachers (classroom teachers)

□ 9.1 teaching positions were moved from School Choice to the Local Budget for FY25. This shift in funding source for these positions helps ensure that these student facing positions will remain in the district.



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# ARPA Transitioning Plan FY25 - FY27

## Transition Plan FY25 through FY27

Description	Salary FY25	FY25	FY26	FY27
District Social Worker/Mental Health Coordinator	\$ 82,243.19	ARPA	ARPA	LOCAL
C.N.A.	\$ 28,293.68	ARPA	ARPA	LOCAL
Float Nurse	\$ 59,666.00	ARPA	ARPA	LOCAL
ETL	\$ 85,927.78	ARPA	LOCAL	LOCAL
ETL	\$ 84,243.37	ARPA	LOCAL	LOCAL
Teacher - MESM: Spanish	\$ 82,795.00	ARPA	LOCAL	LOCAL
Teacher - MESM: Math	\$ 61,487.00	ARPA	LOCAL	LOCAL
Teacher - MESM: Family Consumer Science	\$ 57,339.00	ARPA	LOCAL	LOCAL
Custodian - HS	\$ 43,076.80	ARPA	LOCAL	LOCAL
Custodian - Plains	\$ 41,100.80	ARPA	LOCAL	LOCAL
Assistant Director of Student Services	\$ 93,766.05	ARPA	LOCAL	LOCAL
Culinary Teacher	\$ 82,795.00	LOCAL	LOCAL	LOCAL
Carpentry Teacher	\$ 76,273.00	LOCAL	LOCAL	LOCAL

# FY24 Grant Award Summary

Grant Award Summary			
Fund Code	Grant Name	FY24 YTD	
140	Title IIA	41,009	3.23%
240	94-142	622,704	49.09%
262	Early Childhood	32,547	2.57%
305	Title I	254,473	20.06%
309	Title IV	17,771	1.40%
437	Safer Schools Grant	139,902	11.03%
729	Cell Phone Grant	25,000	1.97%
X41	CSHS	135,000	10.64%
TOTAL GRANTS		1,268,406	100.00%

# FY25 Projected Grants

- Title 1: This grant supports partial salaries for Title 1 Reading Teachers in the district. It also helps support the purchase of instructional materials, student assessment materials, and the planning of the annual Title 1 family literacy event
- Title IIA: Professional development activities for teachers, accompanying materials for professional development are supported through this grant
- Title IV: This grant provides supplemental resources to enhance student's access to technology resources.
- IDEA: Grant is used to support out of district tuition expenditures
- Early Childhood Entitlement Grant: Will support partial transportation costs for pre-school students.
- ARPA Funds: These funds will be used to help support the needed positions that were added during FY23, funded with ESSER and are part of a transition plan agreed to by the Selectboard in March of 2023



# Chapter 70 State Aid

	Amount	Increase	% Change	SFSF/ED <u>Jobs Funds</u>	Combined <u>Ch 70 and SFSF</u>	Total <u>Increase</u>	Total <u>% Increase</u>
FY15	7,676,404	49,225	0.6%		7,676,404	49,225	0.6%
FY16	7,724,754	48,350	0.6%		7,724,754	48,350	0.6%
FY17	7,876,784	152,030	2.0%		7,876,784	152,030	2.0%
FY18	7,933,784	57,000	0.7%		7,933,784	57,000	0.7%
FY19	7,991,294	57,510	0.7%		7,991,294	57,510	0.7%
FY20	8,248,287	256,993	3.2%		8,248,287	256,993	3.2%
FY21	8,530,839	282,552	3.4%		8,530,839	282,552	3.4%
FY22	8,585,949	55,110	0.6%		8,585,949	55,110	0.6%
FY23	9,676,866	1,090,917	12.7%		9,676,866	1,090,917	12.7%
FY24	10,678,231	1,001,365	10.3%		10,678,231	1,001,365	10.3%
FY25	10,732,741	54,510	0.5%		10,732,741	54,510	0.5%

## Chapter 70 State Aid Historical Revenues

# Massachusetts Department of Elementary and Secondary Education

Office of School Finance



## FY25 Chapter 70 Determination of City and Town Total Required Contribution

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### Effort Goal

1) 2022 equalized valuation	1,917,250,100
2) Uniform property percentage	0.3902%
3) Local effort from property wealth	7,481,024
4) 2021 income	699,816,000
5) Uniform income percentage	1.4299%
6) Local effort from income	10,006,329
7) Combined effort yield (3 + 6)	17,487,352
8) FY25 Foundation budget	26,072,273
9) Maximum local contribution (82.5% * 8)	21,509,625
10) Target local contribution (lesser of 7 or 9)	17,487,352
11) Target <b>local</b> share (10 as % of 8)	67.07%
12) Target <b>aid</b> share (100% minus 11)	32.93%

[See a listing of all 351 communities](#)

### FY25 Increments Toward Goal

13) FY24 required local contribution	15,249,839
14) Municipal revenue growth factor (DOR)	3.49%
15) FY25 preliminary contribution (13 raised by 14)	15,782,058
16) Preliminary contribution pct of foundation (15 / 8)	60.53%

#### *If preliminary contribution is above the target share:*

17) Excess local effort (15 - 10)	
18) 100% reduction toward target (17 x 100%)	
19) FY25 required local contribution (15 - 18), capped at 90% of foundation	
20) Contribution as percentage of foundation (19 / 8)	

#### *If preliminary contribution is below the target share:*

21) Shortfall from target local share (10 - 15)	1,705,294
22) Shortfall percentage (11 - 16)	6.54%
23) Added increment toward target (13 x 1% or 2%)*	152,498
<i>*1% if shortfall is between 2.5% and 7.5%; 2% if shortfall &gt; 7.5%</i>	
24) Special increment toward 82.5% target**	0
<i>**if combined effort yield &gt; 175% foundation</i>	
Combined effort yield as % of foundation	
25) Shortfall from target after adding increments (10 - 15 - 23 - 24)	1,552,796
26) FY25 required local contribution (15 + 23 + 24)	<b>15,934,556</b>
27) Contribution as percentage of foundation (26 / 8)	61.12%

# Massachusetts Department of Elementary and Secondary Education

## FY25 Chapter 70 Summary

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### Aid Calculation FY25

### Comparison to FY24

			FY24	FY25	Change	Pct Chg
<b>Prior Year Aid</b>						
1 Chapter 70 FY24	10,678,231					
<b>Foundation Aid</b>						
2 Foundation budget FY25	26,072,273					
3 Required district contribution FY25	15,934,556					
4 Foundation aid (2 -3)	10,137,717					
5 Increase over FY24 (4 - 1)	0					
<b>Minimum Aid</b>						
6 Minimum \$30 per pupil increase	54,510					
7 Minimum aid amount (if line 6 - line 5 > 0, then line 6 - line 5, otherwise 0)	54,510					
<b>Subtotal</b>						
8 Sum of 1,5,7	10,732,741					
<b>Minimum Aid Adjustment</b>						
9 Minimum aid adjustment	10,732,741					
10 Aid adjustment increment (if line 9 - line 8 > 0, then line 9 - line 8, otherwise 0)	0					
<b>Non-Operating District Reduction to Foundation</b>						
11 Reduction to foundation	0					
<b>Hold Harmless Aid</b>						
12 Hold harmless aid	0					
<b>FY25 Chapter 70 Aid</b>						
13 Sum of 1,5,7,10, 12 minus 11	10,732,741					

	FY24	FY25	Change	Pct Chg
Enrollment	1,859	1,817	-42	-2.26%
Foundation budget	25,928,070	26,072,273	144,203	0.56%
Required district contribution	15,249,839	15,934,556	684,717	4.49%
Chapter 70 aid	10,678,231	10,732,741	54,510	0.51%
Required net school spending (NSS)	25,928,070	26,667,297	739,227	2.85%
Target aid share	36.55%	32.93%		
C70 % of foundation	41.18%	41.17%		
Required NSS % of foundation	100.00%	102.28%		



# FY25 SHPS Proposed Budget

# FY25 Proposed Budget

- FY24 Budget: \$24,526,460
- FY25 School Committee Budget Request: \$25,521,460
- Requested Increase: \$995,000
- Requested Increase Percentage: 4.06%





# A Balanced Budget

# Driving Factors

- **Regular Education Transportation – contracted increases of 5.5%**
- **Special Education Transportation – contracted increases of 5%**
- **Increase in OOD Tuitions**
- **Union Contract Increases 2-3% COLA increases plus step increases**
- **School Choice – The need to shift \$700,000 from School Choice to the Local Budget**
- **Chapter 70 Funding - A reduction in the annual increase amount**

# District's Response to Driving Factors

- **Reduction of Vocational Tuition by \$80,000**
  - Based on current FY24 tuitions and projected FY25 tuitions
- **Shifting a portion of Special Education Transportation to Circuit Breaker and Early Childhood Grant - \$132,500**
- **Shifting \$274,000 in estimated Special Education Tuition to Circuit Breaker**
- **Reduction of 32.2 paraeducator positions in the budget (actual personnel reduction is 23.2 FTEs due current unfilled positions)**
- **Reduction of 4 teaching positions primarily due to enrollment projections**
- **Staff savings from retirements – approximately \$20,000 for a teacher retirement**
- **Central Administration not taking pay increases for FY25**

# Additions to FY25 Budget

- **Teacher of the Deaf**
- **8.7 ETAs (Education Therapy Assistants)**
- **High School Assistant Principal**



Questions?

