

Support and Sustain Budget 2026

*February 25, 2025
School Committee Meeting*



Topics

- Mission & Strategy
- Budget Development Timeline
- Funding for Public Education
- Factors Influencing FY 2026
- Expenditure Forecast
- Steps to Balance the Budget
- Possible Reductions/Cuts
- Q&A

Mission

Chelsea Public Schools is a gateway school system that welcomes and educates ALL students and families



Strategy: Bridge to Success 2.0



Factors Influencing Budget FY 2026

- ESSER funds ended
- Student Opportunity Act dollars - not a significant increase from FY 2025 - FY 2026
- Enrollment decreased by 60 students (~1M)
- Increasing salary costs (5%)

1

Enrollment - 10/1 Report to DESE

In the Fall, preliminary budget tasks occur including reporting enrollment to DESE which feeds into the state determined foundation (or minimum) budget amt that MUST be spent. The student count and demographics impacts the amt a district gets.

2

Expenses - Update existing costs for inflation

Consider effects of cost drivers such as programmatic changes, contract rate increases, collective bargaining, health insurance increases, etc.

3

Revenue - Governor's Budget Released in January

The 10/1 enrollment determines the amt that the state requires us to spend on our students. So 1) how many kids dictates how much must be spent to provide adequate education, 2) who will pay for this. This total min budget is then divided btw state and city funding - who pays?

4

Balance & Make Critical Decisions (based on feedback)

After determining the shortfall once the revenue and updated expenses are known, we must balance using the feedback from community. LISTEN AND DECIDE

5

Approve and Vote

We must get approval from SC to submit to City

Enrollment Report to DESE:
 This step determines HOW MUCH!!! Note we had rate increases and enrollment changes that impact budget increase

<div> <div>Chelsea Public Schools</div> <div>Foundation Budget FTE & Amount Comparison from FY20-26</div> <div>As of January 2025</div> </div>									
Foundation Components		FY 24-25 CH 70 Foundation Budget			FY 25-26 CH 70 Foundation Budget			CHANGE FROM FY25 to FY26	
		7234	\$ 74,763,744	\$ 10,335	7142	\$ 76,747,408	\$ 10,746	-92	\$ 1,983,664
	Pre-K	278	\$ 1,397,681	\$ 5,028	226	\$ 1,179,175	\$ 5,218	-52	\$ (218,506)
	Half Day Kdrg	0	\$ -		0	\$ -		0	\$ -
	Full Day Kdrg	485	\$ 4,876,887	\$ 10,055	478	\$ 4,988,095	\$ 10,435	-7	\$ 111,208
	Elementary	2577	\$ 26,056,916	\$ 10,111	2552	\$ 26,776,225	\$ 10,492	-25	\$ 719,309
	Middle	1569	\$ 15,249,821	\$ 9,719	1583	\$ 15,989,967	\$ 10,101	14	\$ 740,146
	High School	2325	\$ 27,182,439	\$ 11,691	2300	\$ 27,760,291	\$ 12,070	-25	\$ 577,852
	Vocational	0	\$ -		3	\$ 53,655	\$ 17,885	3	\$ 53,655
	SPED In District	273	\$ 8,846,792	\$ 32,406	274	\$ 9,091,299	\$ 33,180	1	\$ 244,507
	SPED Out of District	70	\$ 2,734,580	\$ 39,065	69	\$ 2,838,952	\$ 41,144	-1	\$ 104,372
	ELL Totals	2892	\$ 8,825,177	\$ 3,052	2987	\$ 9,658,262	\$ 3,233	95	\$ 833,085
	ELL- PreK -5	1685	\$ 4,914,642	\$ 2,917	1751	\$ 5,318,220	\$ 3,037	66	\$ 403,578
	ELL - 6-8	478	\$ 1,483,808	\$ 3,104	499	\$ 1,619,353	\$ 3,245	21	\$ 135,545
	ELL - HS & Vocational	729	\$ 2,426,727	\$ 3,329	737	\$ 2,720,689	\$ 3,692	8	\$ 293,962
	Low Income	5870	\$ 51,754,639	\$ 8,817	5823	\$ 57,488,550	\$ 9,873	-47	\$ 5,733,911
	Total	7095	\$ 146,924,933	\$ 20,708	7029	\$ 155,824,471	\$ 22,169	-66	\$ 8,899,538
			\$ 20,708			\$ 22,169			\$ 1,461

Expenditure Breakdown (FY2026)

- Salaries / Labor
- Employee Benefits
- Facilities (non-labor)
- Info Technology (non-labor)
- Professional Development
- Special Education (other than labor)
- Supplies / Books / Equip

2) EXPENSES
Update existing
costs for inflation

Baseline Expenditure Forecast

FY2026 COST DRIVERS		
Item	Amount	Notes
Steps, COLA	\$7,819,000	Recent raises
Healthcare, Pension, etc.	\$782,000	Rate is not certain yet; Estimate is higher than what is projected here
Special Ed Tuition	\$2,585,000	No longer able to prepay SPED Tuition
Transportation	\$255,000	Rate increases (ask Monica)
Utilities, insurance	\$102,000	Contractual increases
TOTAL	\$11,543,000	

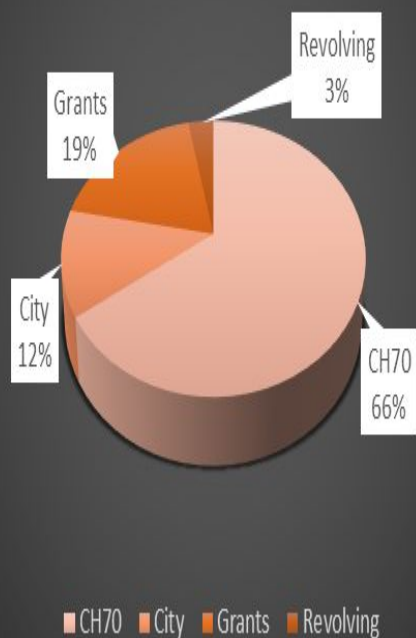
FY2026 School Budget

School Budget Estimates	FY2024 Final	FY2025 Final	FY2026 Gov	increase/ (decrease)
Chapter 70	116,781,512	123,197,898	130,754,505	7,556,607
Local Contribution	22,081,668	23,727,035	25,069,966	1,342,931
Preliminary Net School Spending	138,863,180	146,924,933	155,824,471	8,899,538
Less Net Charter School Tuition:				
Charter School Reimbursement based on Governor's budget	3,439,778	3,939,404	3,256,888	-682,516
Choice & Charter School Tuition based on Governor's budget	-18,673,121	-20,148,423	-20,544,853	-396,430
Net Charter School Tuition:	-15,233,343	-16,209,019	-17,287,965	-1,078,946
Net NSS Available to CPS	123,629,837	130,715,914	138,536,506	7,820,592
Other NSS Adjustments				
Add Est. School Revenues to Net Available	2,500	2,500	2,500	
Adjusted Net School Spending	123,632,337	130,718,414	138,539,006	7,820,592
Add Non-NSS Expenses				
Transportation	5,682,646	5,753,732	6,003,732	250,000
Utilities/Rent	84,335	301,695	340,910	39,215
Supplies	444,650	469,172	486,848	17,676
Food	252,574	260,000	280,056	20,056
	6,464,205	6,784,599	7,111,546	326,947
	130,096,542	137,503,013	145,650,552	8,147,539
Additional Funding				
Indirect Cost	144,711	144,711	144,711	0
Funding A	1,929,993	2,977,124	4,196,097	1,218,973
	2,074,704	3,121,835	4,340,808	1,218,973
Total Budget	132,171,246	140,624,848	149,991,360	9,366,512
School Budget				
Chapter 70	101,548,169	106,988,879	113,466,540	6,477,661
Local Contribution	30,623,077	33,635,969	36,524,820	2,888,851
Total Budget	132,171,246	140,624,848	149,991,360	9,366,512

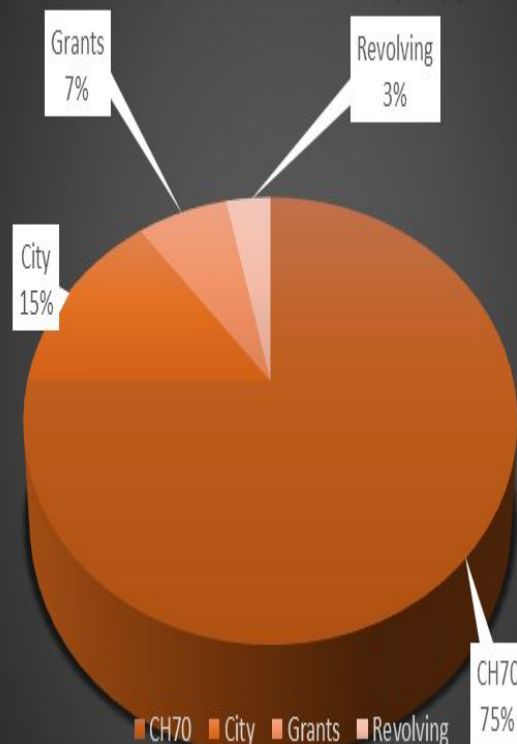
3) Revenue - Governor's numbers released in January! Understand where the money will come from -funding sources

Revenue Type as a Percentage of Total Revenue

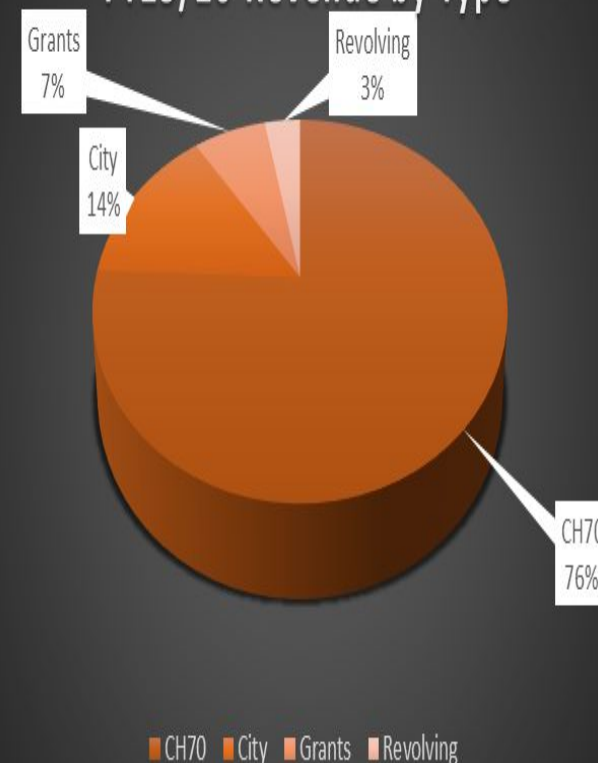
FY23/24 Revenue by Type



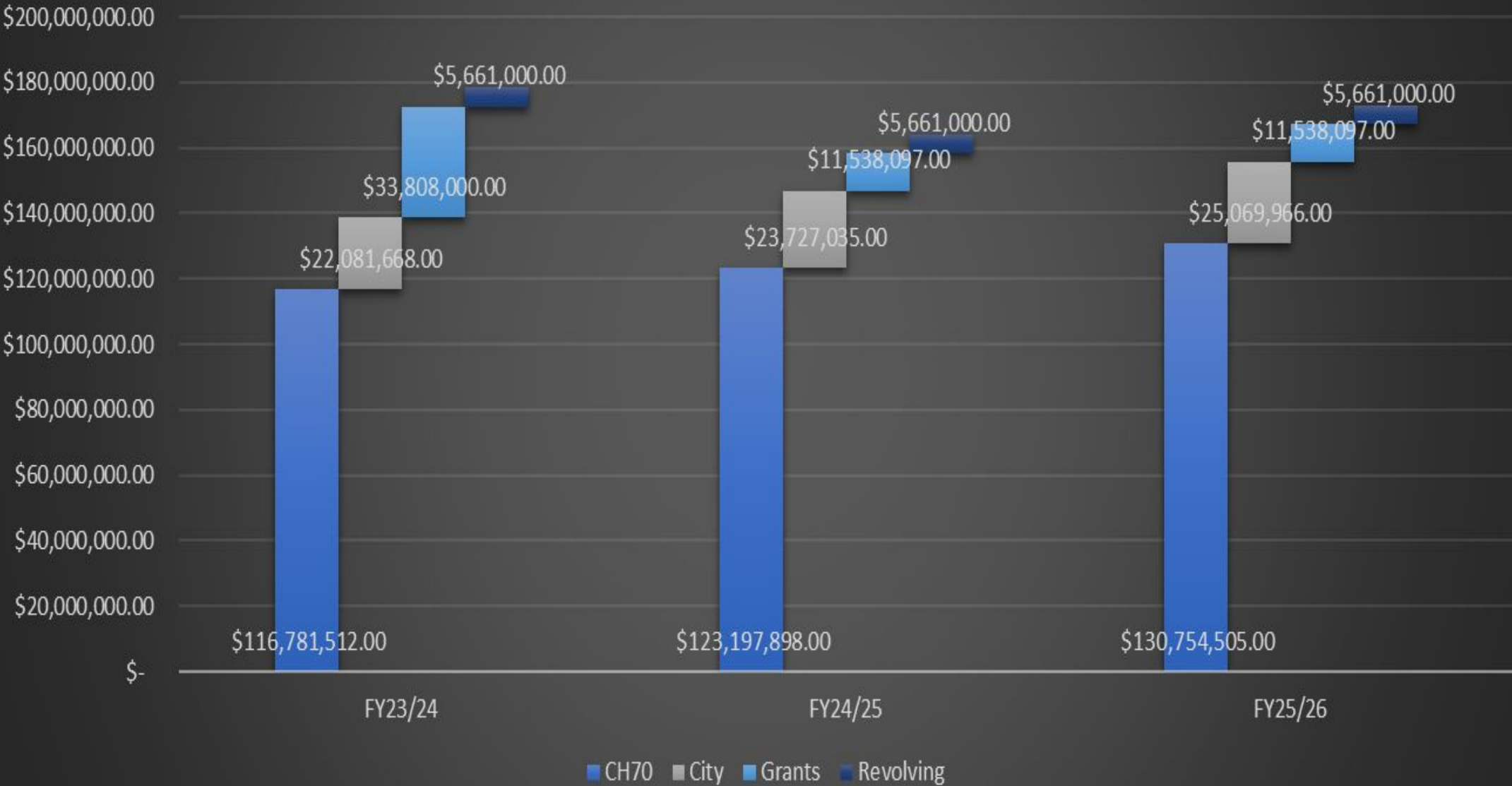
FY24/25 Revenue by Type



FY25/26 Revenue by Type



Comparison of Funding Sources FY24 to FY26



Budget Development Inputs

4) Balance
and make
decisions
from
feedback and
input

- Community Conversations
 - January 29, February 3 and February 10
- School Committee Meetings
 - February 20, February 25, February 27, March 13, and March 20
- CPS Strategic Plan (2020-2026)
- School and Department Requests

What We Heard from Our Community Conversations

What's Working	What's Not Working
<p>From Educators</p> <ul style="list-style-type: none">• High Quality Instruction Materials• Addition of MLE positions both at the schools and district level• Addition of Special Education staff• Addition of Social Workers• Addition of Counselors• Happy about new building purchase <p>From Parents</p> <ul style="list-style-type: none">• PreK• ParentSquare• Extended Learning	<p>From Educators</p> <ul style="list-style-type: none">• Look to cut licenses not being used• ESS substitute services• Extended Learning central office positions• More Tier 2 training for teaching reading <p>From Parents</p> <ul style="list-style-type: none">• More ESL classes at the Intergenerational Literacy Program• More full day pre-K• Down the road, expand Caminos

Balancing: Shortfall Calculation (FLUCTUATES)

Anticipated Revenue:

Chapter 70 Aid	\$130,754,505	
City Contribution <i>(required minimum contribution)</i>	<u>\$ 25,069,966</u>	
Total Aid (State + City) for CPS	<u>\$155,824,471</u>	(Required NSS = Foundation Budget)
Less Net Charter Sch Tuition	- \$ 17,285,465	(This amt is part of our budget but must be sent to fund charter school students)
Total NSS/Foundation Budget Funding	<u>\$138,539,006</u>	
Add Funding for Non-NSS (from City)	\$ 7,111,546	(includes trans, crossing guards, rent, ILP/adult ed)
Add Amt Above Minimum (from City)	<u>\$ 3,121,835</u>	(amt above min from city last year)
Total Budget	<u>\$148,772,387</u>	(net remaining for CPS)

Anticipated Expenses:

FY 24-25 Annual Budget (Revised)	\$140,625,220	
Add Known Cost Increases	<u>\$ 11,543,000</u>	
FY25-26 Annual Budget Preliminary	<u>\$152,168,220</u>	(includes cost adj for raises, health, utilities, major cont increases)

Anticipated Shortfall:

\$ 3,395,833

BALANCE
SHORTFALL



- City increased amt above min by \$1.2 million
- Superintendent has been working with leaders to cut \$2.2 m

Possible Reductions/Cuts at the District Level

Category	Details	Amount
Reduce Professional Development for School Leaders	DEEP	\$40,000
Reduce focused monitoring visits	SchoolWorks	\$65,000
Reduce online services	Tutoring (FEV, Renaissance Learning)	\$146,500
Reduce staffing in HR	1 Recruitment and Retention Specialist	\$100,000
Reduce medication specialists	2 mediation specialists - equity	\$150,000
Special Education Contract	Triangle contract	\$84,000
Special Education Staff at Central Office	1 Clerk	\$50,000
Special Education Translators	2 translators (never filled)	\$100,000
Reduce facility improvement projects	Extraordinary Maintenance	\$300,000
Reduce extended learning	REACH Director (vacant)	\$88,000
Information Technology	Shift in carrier services - savings and reduce in refreshing of chromebooks	\$100,000
	Total	\$1,223,500

Remaining Shortfall After Reducing \$1,223,000 from Central Office

Item	Amount
Balance Shortfall	\$3,395,833
City Increase Above Minimum	\$1,200,000
Amount Reduced from Central Office	\$1,223,000
Amount Still Needed to Balance Budget	\$972,833 *(The City just agreed to cover this amount today 2/25/25)

Next Steps to Balance Budget

- Listen and review all district level reductions again.

Budget Development Meetings

February 2025

- **Monday, February 3:** FY26 Budget Listening Session - Secondary Schools
- **Thursday, February 6:** Regular School Committee Meeting
- **Saturday, February 8:** School Committee Retreat (Budget Overview)
- **Monday, February 10:** FY26 Budget Community Conversation (Virtual)
- **Thursday, February 20:** Budget & Finance Sub-Committee of the Whole Meeting
- **Tuesday, February 25:** School Committee Community Budget Presentation (In-Person)
- **Thursday, February 27:** Budget & Finance Sub-Committee Meeting

March 2025

- **Wednesday, March 5:** Regular School Committee Meeting
- **Tuesday, March 11:** School Committee members to receive budget document
- **Thursday, March 13:** School Committee Budget Hearing (In-Person at 6:30pm)
- **Thursday, March 20:** School Committee Budget Meeting (Virtual at 6:00pm)
- **Thursday, March 27:** School Committee Budget Adoption

Q & A