



BUDGET SUBCOMMITTEE

October 20, 2025



Agenda

- Overview of “Net School Spending”
- FY25 End of Year Report
- FY26 Budget through October 16, 2025

Net School Spending

- Chapter 70 Review
- How do we get there?
 - All funding
 - City spending



Section 6 of Chapter 70 of the General Laws

- Massachusetts law that governs funding for all public elementary and secondary schools
- Establishes minimum spending requirements for each school district (“net school spending”)
 - Establishes minimum requirements for each municipality’s share of school costs
 - “Chapter 70 Aid” makes up the difference between a municipality’s share of costs and the statutory minimum spending requirement

Net School Spending: How do we get there?

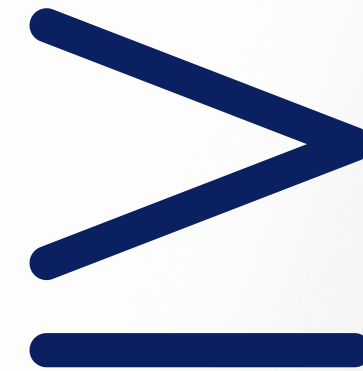
Legal minimum spending requirements for public schools within each municipality.



**Municipality's
share of school
costs** – from the
City budget



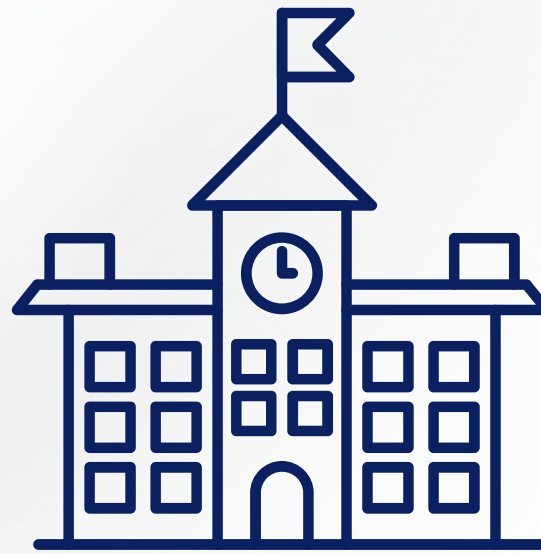
Chapter 70 Aid –
from the State



**Net School
Spending** –
minimum
required by the
State

Net School Spending: How do we get there?

Legal minimum spending requirements for each school district



Municipality's share of school costs – from the City budget

School District Budget – approved by School Committee

Indirect Costs – parts of the City budget that are still spent to support schools (e.g., employee health insurance)

Net School Spending: How do we get there?

Legal minimum spending requirements for each school district



**Municipality's
share of school
costs** – from the
City budget

Other Factors:

- Charter School Tuition
 - Charter School Reimbursement
- Transportation (*not allowed to be counted toward Net School Spending*)

FY25 Spending

- Chapter 70
- Overall Spending
- Spending Breakdown



FY25 Ch. 70 Requirements (by district)

District	Foundation Enrollment	Required Contribution	Chapter 70 Aid	Required Net School Spending
Chelsea	7,095	\$23,727,035	\$123,197,898	\$146,924,933
Everett	8,020	\$43,738,229	\$118,072,876	\$161,811,105
Revere	8,010	\$48,522,544	\$102,193,765	\$150,716,409
Malden	6,863	\$57,647,090	\$63,910,729	\$121,557,819

FY25 Spending Overall

	Estimated	Actual
FY25 Net School Spending Requirement	\$121,461,102	\$121,557,819
Total School Spending	\$121,461,102	\$119,881,410.39
Amount Below Net School Spending	0	\$1,676,408.61

FY25 Spending Breakdown

Required Net School Spending
\$121,557,819

	Estimated	Actual
FY25 Voted School Budget	\$93,380,000	\$93,380,003
Indirect Costs	\$23,948,528.72	\$22,443,083.39
Charter School Tuition	\$10,586,629	\$10,440,009
Charter School Reimbursement	(\$1,296,404)	(\$592,797)
Transportation	(\$5,157,652)	(\$5,788,888)
Total School Spending	\$121,461,102	\$119,881,410

FY26 SC Budget

- Chapter 70 timeline
- Budget Breakdown
- FY25 & FY26 Net School Spending Differential
- SC Budget: Spending Breakdown Q1



Annual Budget Timeline

- **Late January:** Governor releases budget & DESE assigns foundation budget for each city with Chapter 70 aid
- **March:** City informs School Department of budget allocation for next fiscal year
- **March-May:** School Department develops budget for approval by the Budget Subcommittee of the School Committee
- **June:** School Committee approves proposed budget for next fiscal year

FY26 Ch. 70 Requirements (by district)

District	Foundation Enrollment	Required Local Contribution	Chapter 70 Aid	Required Net School Spending
Chelsea	7,029	\$25,069,966	\$130,754,505	\$155,824,471
Everett	8,009	\$45,846,412	\$126,865,323	\$172,711,735
Revere	7,962	\$52,200,934	\$107,214,598	\$159,415,532
Malden	6,927	\$60,667,748	\$69,770,045	\$130,437,793

FY26 Budget Breakdown

Required Net School Spending*

\$130,437,793

**Amount set by DESE in January 2025.*

***Amount authorized by the City in April 2025.*

****Revised estimates from SY25 End-of-Year Report.*

	Estimated
FY26 Voted School Budget**	\$98,697,688
Indirect Costs***	\$25,246,788
Charter School Tuition***	\$10,821,640
Charter School Reimbursement***	(\$831,908)
Transportation***	(\$5,733,283)
Total School Spending***	\$128,200,924

FY25 & FY26 Net School Spending Differential

Amount Below Net School Spending FY25 (Actual)	\$1,676,409
Amount Below Net School Spending FY26 (Estimate)	\$2,236,868
Total Below Net School Spending Projected for FY26	\$3,913,278

FY26 SC Budget: Salaries

*Effective Oct. 16.	Budget	Expenditures	Amount Remaining	% Spent
Beebe	\$9,343,426.75	\$1,577,033.01	\$7,766,393.74	16.88%
ELC	\$3,338,500.49	\$597,673.59	\$2,740,826.90	17.90%
Ferryway	\$9,093,779.03	\$1,606,417.73	\$7,487,361.30	17.67%
Forestdale	\$6,684,962.32	\$1,183,324.99	\$5,501,637.33	17.70%
Linden	\$8,202,135.84	\$1,518,031.35	\$6,684,104.49	18.51%
MHS	\$16,307,605.13	\$2,864,379.61	\$13,443,225.52	17.56%
Salemwood	\$9,909,616.67	\$1,734,259.22	\$8,175,357.45	17.50%
Districtwide*	\$11,456,919.09	\$2,133,877.03	\$9,323,042.06	18.63%
Nursing	\$1,643,523.84	\$302,298.25	\$1,341,225.59	18.39%

**Includes setasides for negotiated salary increases, lane adjustments, and substitutes.*

FY26 SC Budget: Supplies by School

<i>*Effective Oct. 16.</i>	Budget	Expenditures	Encumbrances	Amount Remaining	% Spent
Beebe	\$41,310.00	\$13,815.47	\$7,001.95	\$20,492.58	50.39%
Ferryway	\$41,265.00	\$6,614.60	\$11,178.17	\$23,472.23	43.12%
Forestdale	\$24,570.00	\$12,827.71	\$7,853.50	\$3,888.79	84.17%
Linden	\$36,450.00	N/A	\$1,373.41	\$35,076.59	3.77%
MHS	\$142,200.00	\$17,086.37	\$36,997.43	\$88,116.20	38.03%
Salemwood	\$45,765.00	\$3,933.49	\$15,442.58	\$26,388.93	42.34%

FY26 SC Budget: Other Expenses

<i>*Effective Oct. 16.</i>	Budget	Expenditures	Encumbrances	Amount Remaining	% Spent
Nursing expenses	\$18,000.00	\$4,978.61	\$2,855.47	\$10,165.92	43.52%
Districtwide Expenses	\$21,664,765.92	\$4,127,541.68	\$15,113,871.57	\$2,423,352.67	88.81%
Athletics – Coaches and Clerical	\$395,017.21	\$25,662.40	N/A	\$369,354.81	6.50%
Athletics expenses	\$307,876.28	\$75,000.37	\$33,891.08	\$198,984.83	35.37%

FY26 SC Budget: Overall

<i>*Effective Oct. 16.</i>	Budget	Expenditures	Encumbrances	Amount Remaining	% Spent
Total Budget	\$98,697,688.57	\$17,804,755.48	\$15,230,465.16	\$65,662,467.93	33.47%

Thank you!

