

North Reading Public Schools

FY 26 SCHOOL PRELIMINARY BUDGET MARCH 10, 2025

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North Reading School Committee

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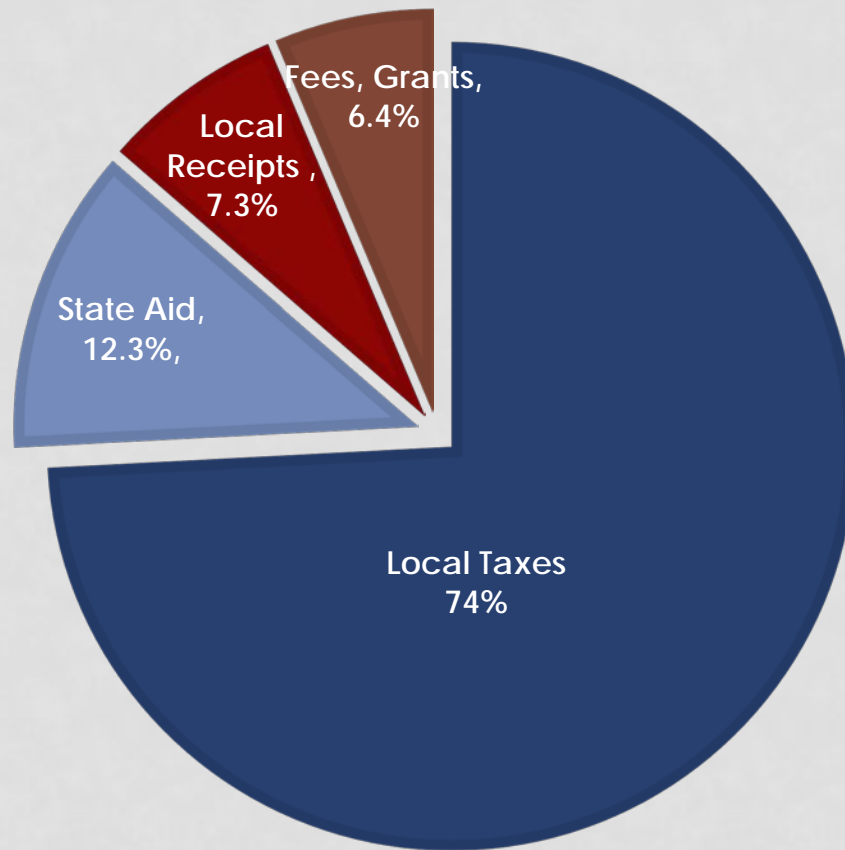
Timothy Sutherland

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AGENDA

- Revenue Sources
- Challenges
- Drivers
- Budget priorities / breakdown
- Staffing positions
- Offsets
- Conclusions

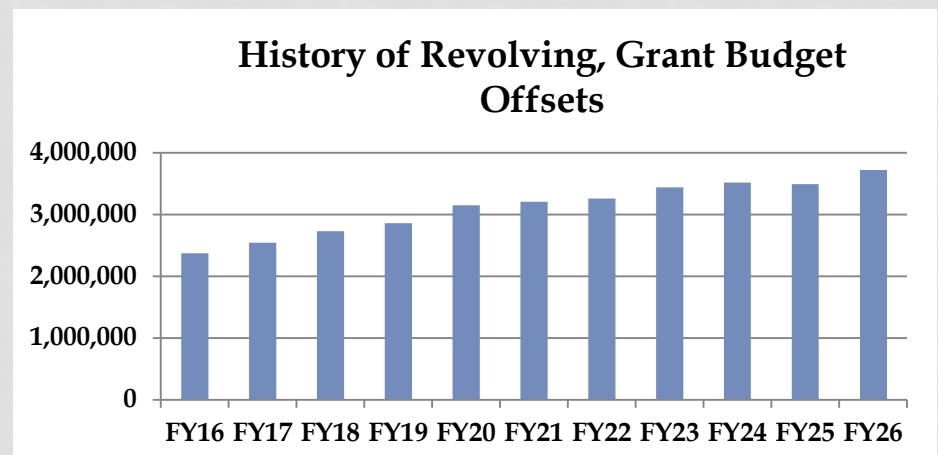
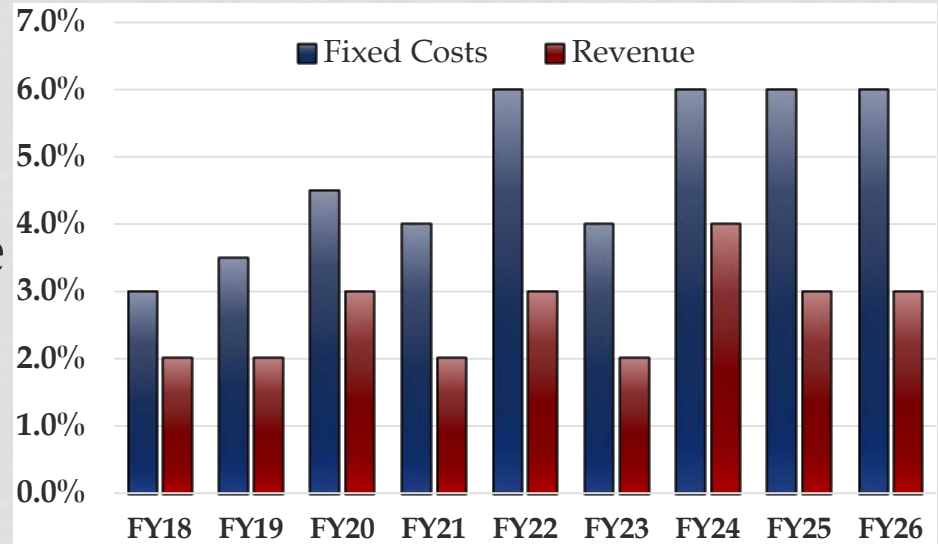
REVENUE SOURCES



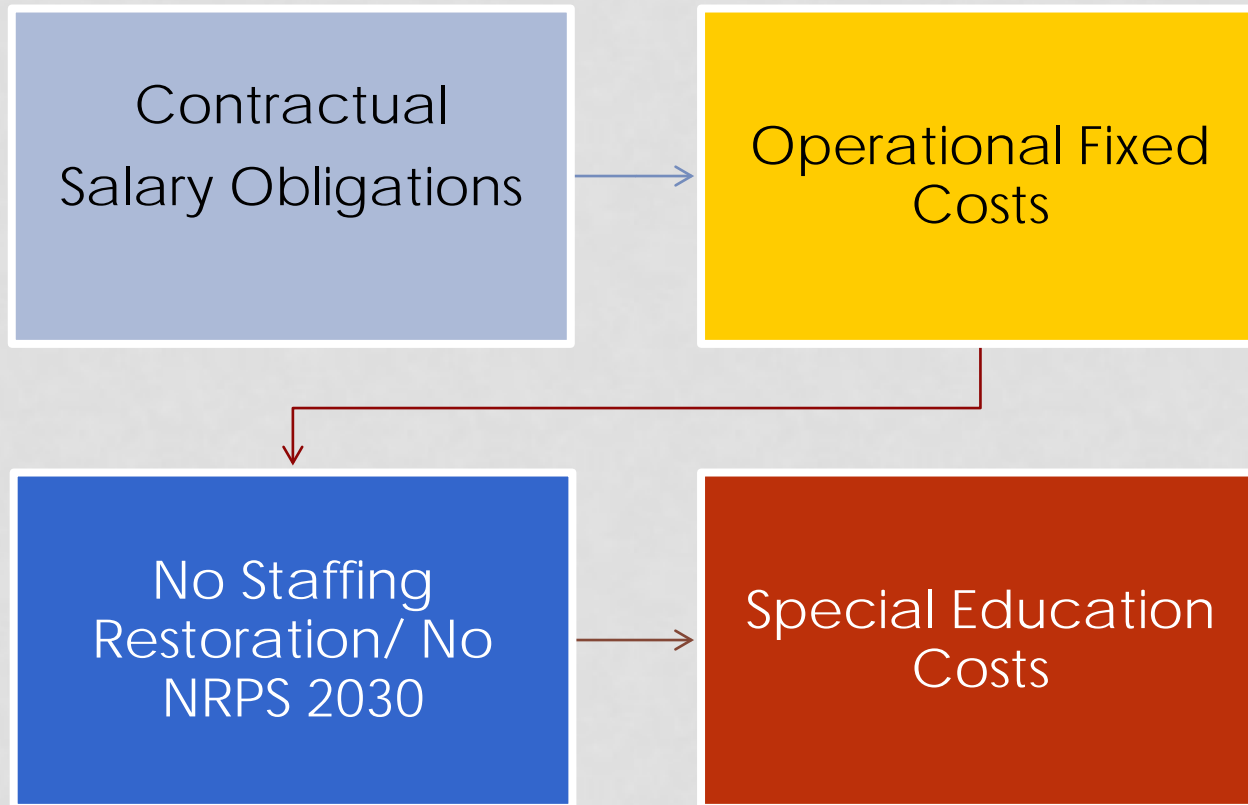
■ Local Taxes ■ State Aid ■ Local Receipts ■ Fees, Grants

CHALLENGES

- Structural Deficit
- School Funding
- Diminishing School Revenue Options
- Contractual Obligations
- Fixed Cost Increases / Inflationary Increases
- Special Education Uncertainty



BUDGET DRIVERS



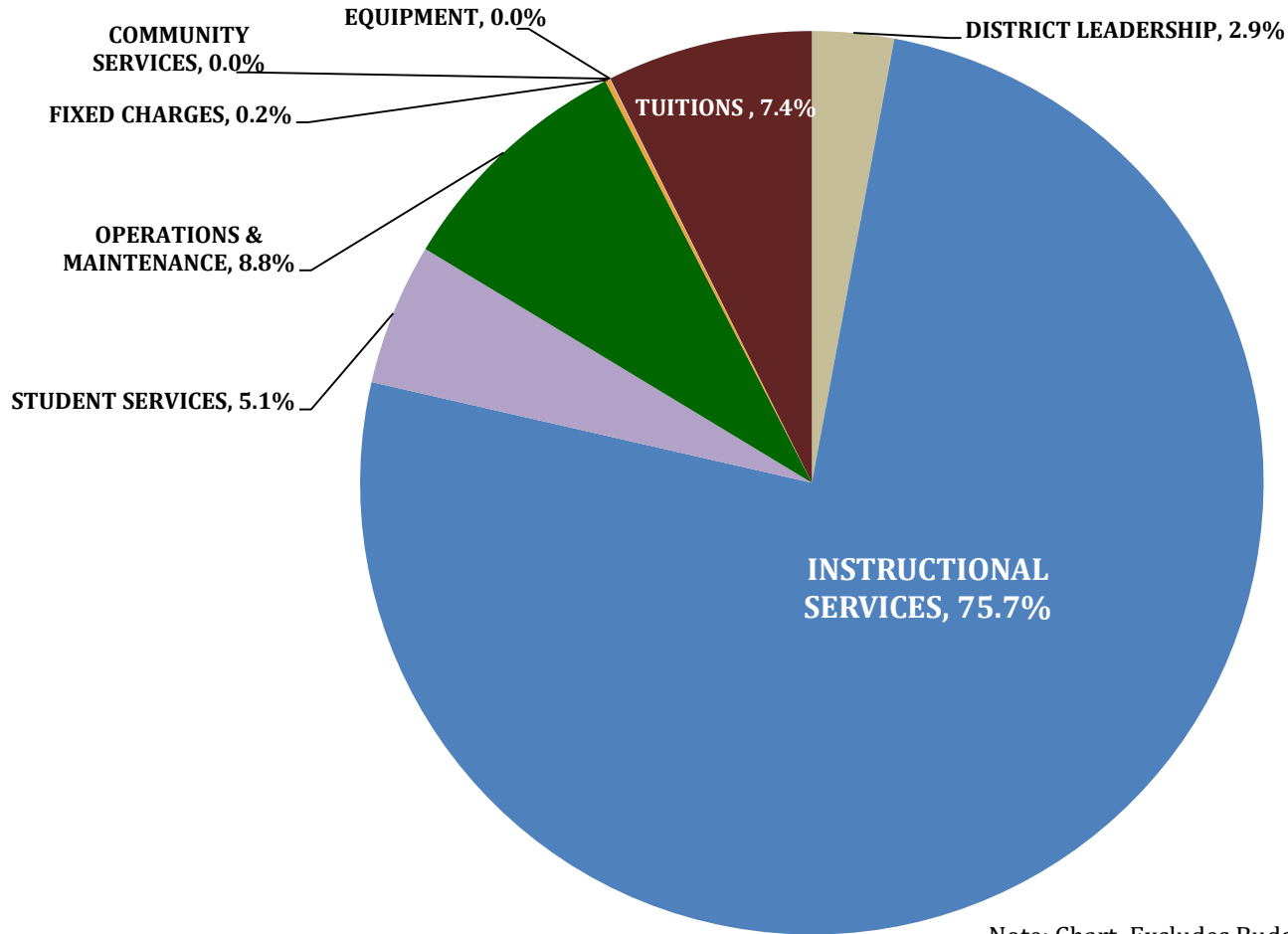
LEVEL SERVICES BUDGET

- Staffing levels and educational services that exist this year will carry forward into next year;
- Level staffing budget with (no new staff recommendations) adjustments to meet contractual salary obligations;
- Includes no restorations of staff reduced last year and no NRPS 2030 new initiatives
- Includes adjustments for fixed costs increases associated with student transportation, utilities, and maintenance needs;
- Funding needed to support specialized programs for our high needs student population;
- Adjustments to increases in our out-district-costs for tuitions and transportations for those students being educated outside the district.

FY' 26 PRELIMINARY BUDGET

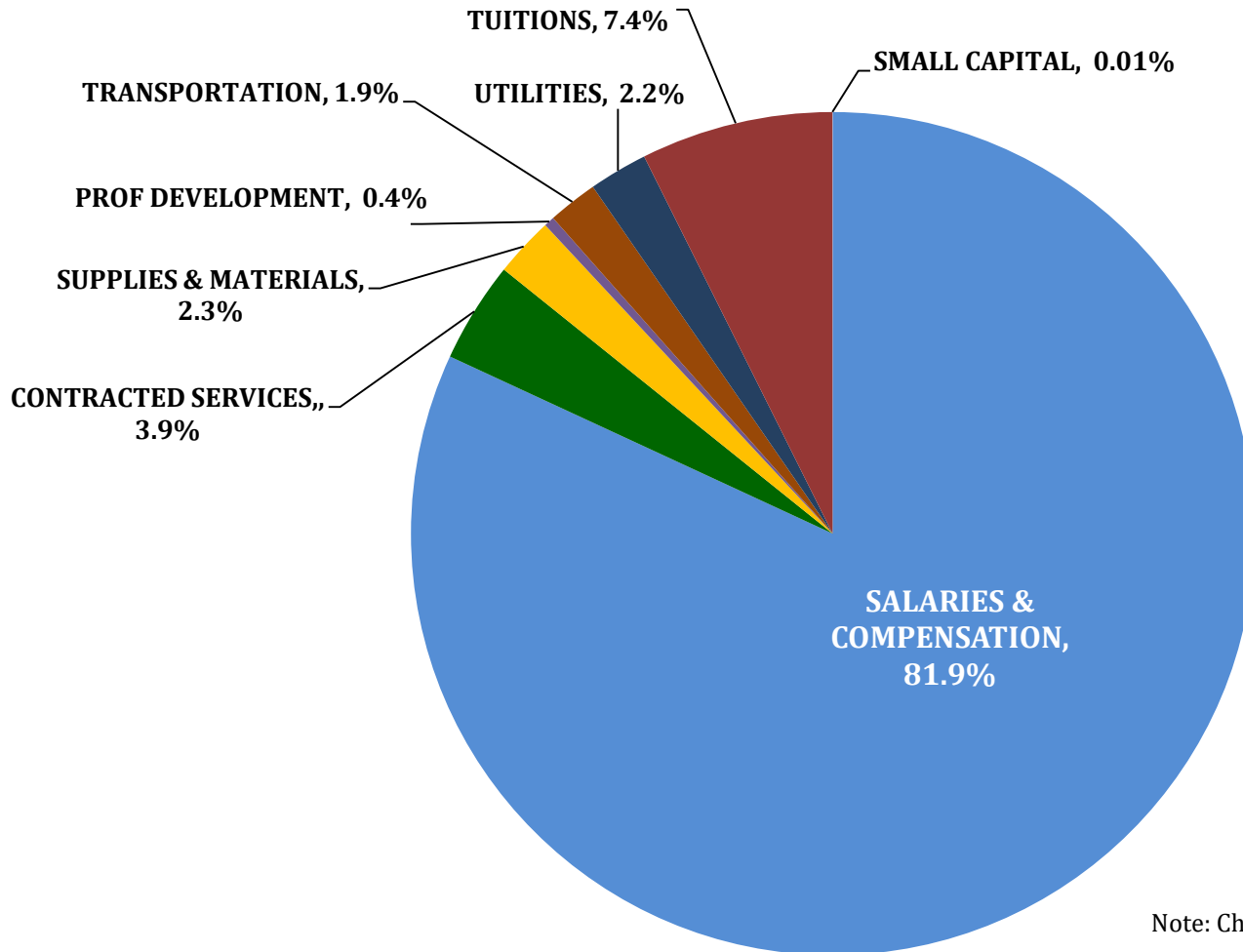
Expense Category	FY 25 Budget	FY 26 Budget	Change	% Increase
Salaries	32,111,616	33,888,066	1,776,450	5.5%
Instructional Expenses	1,443,068	1,498,600	55,532	3.8%
Operations & Maintenance	2,068,975	2,154,025	85,050	4.1%
Transportation	598,230	790,260	192,030	32.1%
Tuitions	2,950,081	3,046,850	96,769	3.3%
Total	39,171,970	41,377,801	2,205,831	5.6%

HOW ARE THE FUNDS BEING SPENT



Note: Chart Excludes Budget Offsets

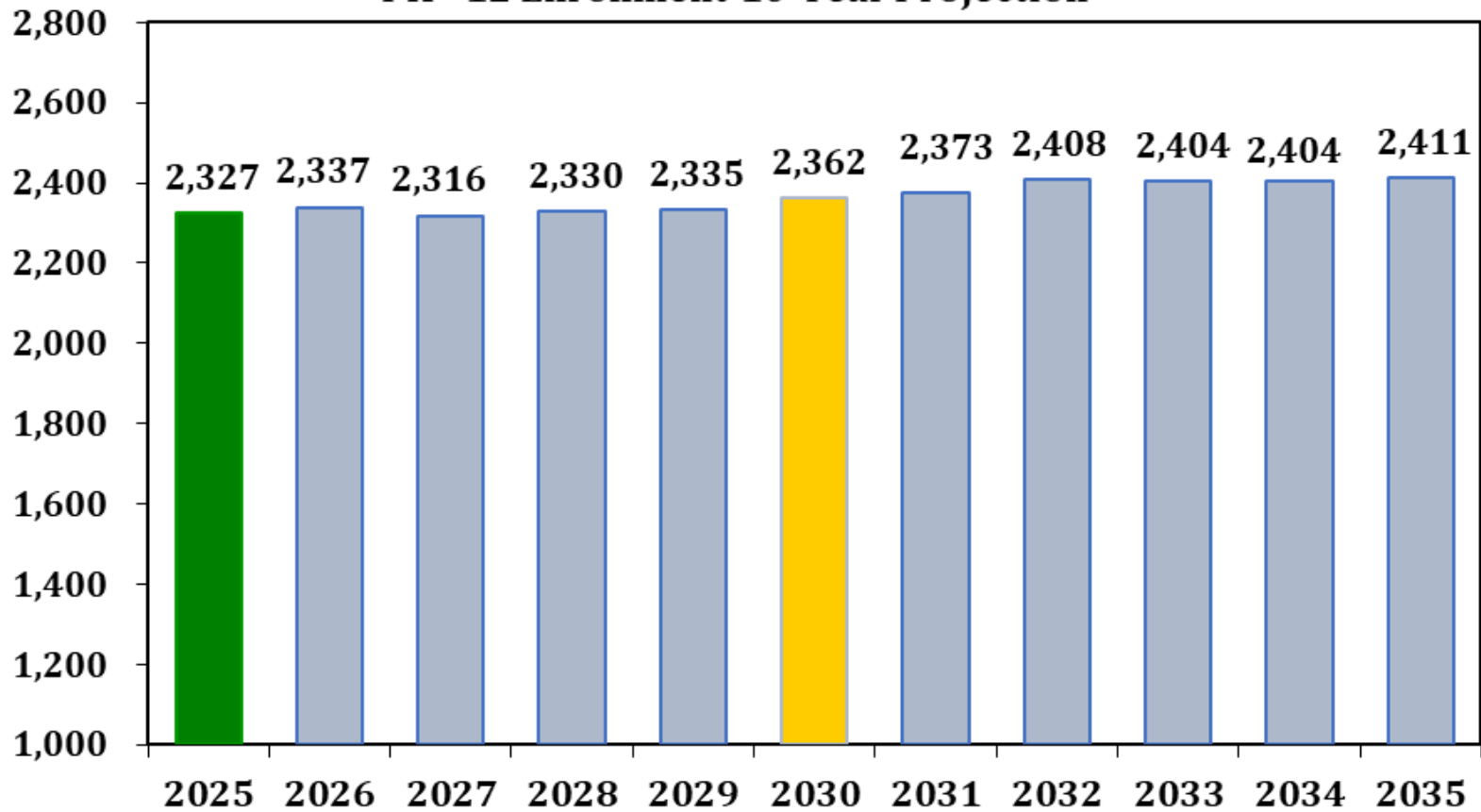
HOW ARE THE FUNDS BEING SPENT



Note: Chart Excludes Budget Offsets

ENROLLMENT PROJECTIONS

**North Reading Public Schools
PK - 12 Enrollment 10-Year Projection**



STAFFING RESTORATION PRIORITIES

School /Dept.	FY' 26 Restoration Priority	Amount	Impact
Elementary	3.0 FTE General Paraprofessionals	116,640	Restore general para support at Kindergarten level
Elementary	1.0 FTE Classroom Teacher	81,866	Restore grade level class sizes above optimum level
Elementary	1.2 FTE Academic Support Tutors	56,800	Restore ability to address early intervention strategies
Total	5.2 FTE	255,306	

The FY 2026 Preliminary Budget, unfortunately due to the funding challenges the community is facing, does not restore any of the positions eliminated this school year and shown in the above table.

NRPS 2030 INITIATIVES

School /Dept.	NRPS: 2030 Needs	Amount	NRPS 2030 Strategy
Elementary	0.60 FTE School Adjustment Counselor	63,235	Student Support
Total	0.6 FTE	\$63,235	

School /Dept.	NRPS: 2030 High Priority Needs	Amount	NRPS 2030 Strategy
Elementary / MS	1.0 FTE Academic Interventionist	81,866	Teaching & Learning
District K-8	1.0 FTE Math Coach	81,866	Teaching & Learning
District K-12	1.0 FTE Humanities Coordinator	106,970	Teaching & Learning
Total	3.0 FTE	270,702	

The Preliminary budget does not look to implement any initiatives in the school district's strategic plan, "NRPS 2030: and the high priority positions shown in the tables above. The reason for this is rooted in the recognition of the fiscal challenges that the community currently faces.

FY' 26 BUDGET SUMMARY

School /Dept.	FY 25	FY 26	DIFFERENCE
General Fund	39,171,971	41,377,801	2,205,830
Grants, Revolving	3,488,992	3,713,005	224,013
Total	42,660,963	45,090,806	2,429,843

Other Funds Not Included in School Budget (Annual Average)

School Committee Accepted Donations	\$250,000
PTO In-Kind Gifts / Budgets	\$75,000



FY'26 BUDGET BREAKDOWN

Budget Driver Description	Amount of Increase	% Increase
FY'25 Final Budget Approved	\$39,171,971	
Contractual Salary Obligations (Existing Staffing Levels)	\$1,776,450	4.5%
Special Education Out-District Tuition Increases	\$256,282	0.7%
Special Education Transportation & Contracted Services	\$200,000	0.5%
Additional Circuit Breaker Offset (based on new expense baseline)	-\$159,513	-0.4%
Fixed Cost Contractual Increases: Busing, Utilities, Maintenance	\$145,030	0.37%
Additional Transportation Offset (IDEA & Revolving Account)	-\$60,000	-0.2%
Supply & Classroom Material Increases	\$47,582	0.12%
FY' 26 Level Services Budget Increase over FY'25	\$2,205,831	5.6%
FY' 26 Level Services Proposed Budget	\$41,377,801	

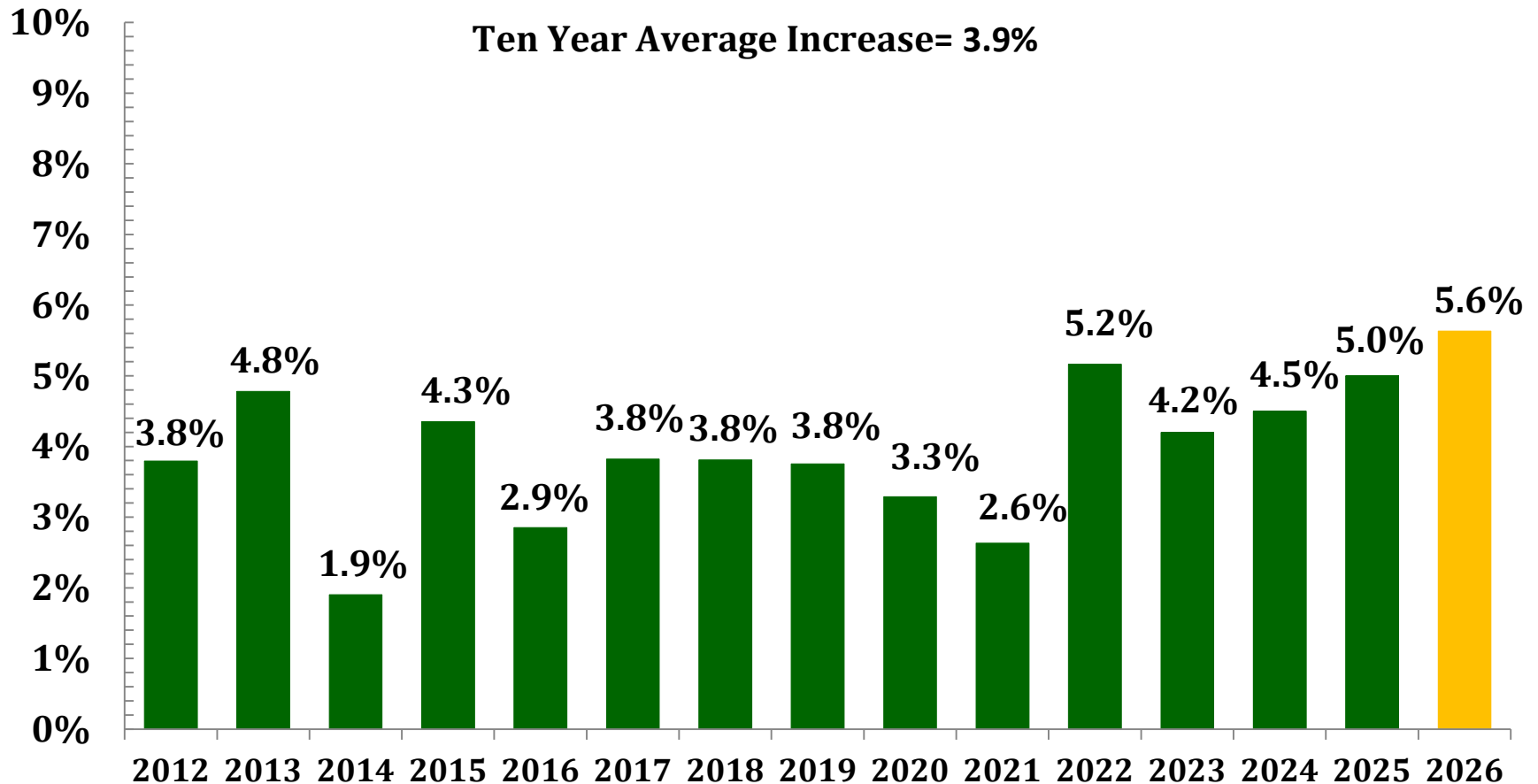
BUDGET GAP

Category	FY' 26 Level Services
Salary	\$33,888,066
Expenses	\$7,489,735
TOTAL	\$41,377,801
% Over FY'25	5.6%
Budget Gap	\$1,433,045

BUDGET OFFSETS

Program	FY 26 Direct Cost	User Fee Estimated Contribution	Current User Fee
Bus Transportation (Non-Special Education)	\$980,260	\$320,000 (32%)	\$500 Per Pass / \$800 Family Cap
Athletics (Salaries, Coaches, Expenses)	\$864,724	\$290,000 (33%)	\$425- 1 st Sport \$300 - 2 nd Sport \$300 - 3 rd Sport \$1,300 Family Cap
Extra-Curricular Activities (MS & HS Clubs)	\$122,976	\$58,000 (47%)	\$200 (MS/HS)
Performing Arts (Music, Drama, Theater)	\$67,080	\$34,000 (51%)	HS=\$200,\$100,\$50, \$600 Family Cap. MS=\$150,\$75, \$50, \$450 Family Cap. Elem.=\$100 Musical
Kindergarten Program (Teacher, Para. salaries)	\$1,127,756	\$450,000 (40%)	\$2,500 Full Day Current
Pre-School Program (Teacher, Para. salaries)	\$437,445	\$140,000 (32%)	\$6,000 Full Day \$3,000 Half Day
Total	\$3,600,241	\$1,292,000 (36%)	

OPERATING BUDGET HISTORY





FY' 26 COST AVOIDANCE

- **School Expense Budgets**
 - Purchasing from state bid lists
- **Utilities – Natural Gas & Electricity**
 - Modulating Boilers/Occupancy Schedules /Lighting Controls
 - Gas Rates – Power Options Purchasing Consortium Contract
- **Special Education**
 - Continued commitment to keep students in our schools through the design of customized programming
 - SEEM Collaborative shared transportation model
 - Memberships with SEEM Collaborative and Northshore Education Consortium
- **Food Services Program**
 - Pursue all available funding / grants and federal reimbursements (Lunch, Breakfast, After School Snack Programs)
 - Managing production/labor costs and increasing sales district wide
- **Athletics**
 - Use of Two MFSAB's has transferred costs for many transportation runs in-house from contracted services thus leading to savings
- **Maintenance & operations**
 - Pursuing bringing more outside contract work: electrical, plumbing, hvac, boiler, WWTP in-house whenever possible
 - Efficient use of Tool cat has increased efficiency in respect to snow removal efforts and grounds work decreasing man power of overtime costs
 - Constant vigilance with respect to daily operations
 - Pursuit of E-rate opportunities under the new federal program for category II filing (Technology savings)
 - Pursuit of Energy Saving Initiatives – LED Lighting project completed & continue to pursue Solar Options



BUDGET CONCLUSIONS

- Includes funds to meet contractual obligations with employees and employee unions;
- Increases for fixed operational costs: contracted services, busing, utilities, etc.;
- Maintains staff to:
 - (1) maintain educationally sound student/teacher ratios especially at the elementary level;
 - (2) maintain adequate health and safety services for all students, staff and the school community;
 - (3) maintain current structures to address the social, emotional and mental health needs of all students;
 - (4) maintain staffing in specialized programs to support students in our high needs' population;
- Contractual obligations with employees and employee unions;
- Continuation of the District 1:1 student device program in grades K through 12;
- Associated operational costs to continue to provide the same level of services including student transportation and access to athletic and fine art programs;
- Associated operational costs to maintain all five schools and surrounding campuses.

LONG TERM BUDGET IMPLICATIONS TO BALANCE FY'26 BUDGET

- Higher class sizes at all levels in particular in elementary grades which would be above optimum levels for student learning;
- Reduced depth and breadth of curriculum and course options at the Middle and High School;
- Reduced ability to address student health issues and nursing coverage;
- Less digital learning and technology staff for instruction and tech support;
- Less support staff available for academic support and early intervention strategies;
- Less extracurricular and athletic opportunities for all students;
- Reduced expenses budgets for school resources and classroom materials;
- Lack of funds available for unforeseen building maintenance needs and equipment replacements;
- Increased fees to families for programs like: athletics, performing arts, transportation and tuition-based programs;
- Higher risk for budget overages and increased reliance on special revenue accounts.

NEXT STEPS

1. Ongoing discussions with Finance Planning Team about available revenues (currently there is a large budget gap)
2. Budget Webinar March 26th 12:00 p.m. to 1:00 p.m.
3. Joint Meeting Boards March 26th 6:30 p.m. (DLL)
4. School Committee Budget Workshop on April 7th(5:00 p.m.)
5. Public Hearing on April 7th (7:00 p.m.)
6. School Committee Budget Workshop # 2 April 28th (If necessary 5:00 p.m.)
7. School Committee vote April 28th to May 1st
8. Present budget to Finance Committee May 7th
9. Annual Town Meeting June 9th
10. Await state budget actions
11. Discussion

