



**FY27 Finance Subcommittee  
Initial Budget Presentation - Level Funded**

February 26, 2026 - Virtual

# Financial Advisory Board

- Created to forecast and plan for the November Override
- Consisted of:
  - Mayor
  - Chief of Police
  - Library Director
  - Chief Financial Officer
  - Superintendent
- Other attendees:
  - Chief of Staff
  - Director of Finance and Operations
  - Executive Assistant to the Superintendent



# Financial Advisory Board

- Schools forecasted a 5% or \$2.1m increase for level services
- That forecast was completed during the past summer (2025) with so many unknown increases to key budget influencers - like health insurance, contractual obligations, and city retirement contributions.
- One pagers were created by the District to identify items in the budget that would be considered for reduction to arrive at a level funded budget



# Budget Development Process

- After the failed override, we knew that budget development would be a challenge
- In December, based on information that I received from the Mayor, I informed the District Leadership Team that we would be preparing a level funded budget **instead of our usual first step** - a level services budget with a list of positions/items that are needed beyond level services to meet our needs - in other words, the Superintendent's Recommended budget
- The first step for principals and cost center managers was to review the operational side of their respective budgets to include increased costs for required elements on the operational side.
- Principals and their teams were permitted to reduce and shift elements on the operational side as long as the total amount was equal to or less than the amount allocated to them last year



# Budget Development Process

- Next, the Leadership Team was asked to review student numbers as they moved to the next grade (SY26-27), student profiles and requisite needs, course requests and anything else that would inform them about their staffing needs for the next school year
- At the Financial Advisory Board meeting in January, the Mayor confirmed that the instructions to all Department Heads, including the Superintendent, was to create a **level funded budget**
- This information was shared with the Leadership Team and guided the work that they would do over the next few weeks.



# Different Approach

- Each year that I have been Superintendent, my team and I have prepared at least a **level services budget**
- This has been referred to as the Superintendent's Recommended Budget
- In some years, the District has been asked to prepare budgets with a couple of different percentage increases
- This year, there is **no** Superintendent's Recommended Budget as the directive was to prepare a **level funded budget**
- I want to be clear, this is not a budget that I am recommending. This is a budget that aligns with the directives that Department Heads in the City have been given.
- It is not a budget that is in the best interest of our students, our families or our staff



# How We Arrived at the Guidance for Principals for their Budget Development

- In January, Joan and I updated the list of assumptions that we had built as part of the override work.
- This list included both known and anticipated increases for key budget drivers. This was shared with the School Committee at a January meeting
- Each principal was instructed to reduce their building budget by a specific amount of money. The Central Office was also assigned a specific reduction amount
- The Leadership Team met together for the purposes of collectively reviewing the reductions that were listed for each building
- Principals conferred to see if there were any opportunities to share resources



# Assumptions - First Round-January

- In January, Joan and I shared the anticipated costs for many of our assumptions (with several unknown costs) - with an estimated increase of approximately \$2.1m or 5% - very close to the same amount that we had projected in preparation for the override
- Since that time, we have received updated information and completed a deep dive into some key categories including Out of District and In District Special Education needs
- This work has resulted in decreases in some areas and increases in others but an overall savings in this area



# Assumptions - Round 2

- As part of the work that our team did in preparation for this presentation, the following categories remained at the same level as they were in January
  - COLAs for all units and individual contracts - truly unknown at this time
  - Steps and longevity
  - Column moves
  - transportation - both bus and special education
- The following categories were REDUCED
  - Health insurance - from 14% increase to a 3% increase
  - HVAC - see District Slide
  - Life insurance
  - Unemployment
  - OOD Tuition allocation



# Health Insurance

- Based on best estimates at the time of both the preparation for the override (Summer - FAB) and in January, we had planned on an increase of 14%
- Recently, City Hall shared with us that we should only increase health insurance costs by 3%
- Additionally, in collaboration with City Hall, Candace and Joan reviewed the health care plan choices for all staff members
  - The hiring for the 25-26 School Year had significantly fewer family plans, more single plans, and several others opting out
- The combination of the reduction in the number and/or type of plans resulted in a decrease of approximately \$190,000 coupled with the small increase of 3% to health insurance reduced the overall health insurance costs for FY27 by approximately \$50,000



# Special Education - FY27 Budget - February

- The amount of funding allocated to OSD Private Tuitions and Collaboratives decreased significantly by \$376,505
- The amount of Circuit Breaker money used to offset costs in the budget increased by \$275,783.
  - \$200,000 of this is needed as we had to increase by \$200,000 in order to not carryover more than we received in FY 26.
  - We added an additional \$75,000 to that offset as we anticipate a large carryover in Circuit Breaker due to the fact that some of our students left their out of district placements over the course of the 25-26 SY
- However, as a result of students moving between grades and entering new programs, we need to add two teachers to AHS - one for the AC3 (18-22) and another for the Navigate (13-17) programs due to the number of students in each
  - We may be able to offer spots to our neighboring communities for placement into AC3 and bring in additional revenue



# New Gap Between Level Services and Level Funded

\$1,426,137 or a 3.6% increase

FY 26 Approved Budget: \$39,842,711

FY27 Level Funded Budget: \$39,842,711

FY27 Level Services Budget: \$41,268,848



# AIHS Scenarios

- Prior to the adjustments we just discussed, I had considered different scenarios for AIHS and the associated costs/savings for each:
  - keep AIHS at 71 Friend Street
  - move AIHS to AHS remaining as an Innovation School
  - move AIHS to AHS as a program (part of AHS)
  - close AIHS completely and absorb those students into AHS
- Given the work that Joan and Candace and our District Leadership Team have done, I am happy to report that AIHS will be able to remain at 71 Friend Street for the 26-27 School Year.
- An additional factor in this decision is Evan's hard work to attain two additional tuition in students. They started this past January and February and the contracts include next year as well.
- As a result of a recent conversation with Ryan from the Church, they are willing to revisit the current rent agreement (more to come on that)



# Building Based Reductions and Resulting Impacts



# Building Based Reductions Shay

Reduction	Impact
<p>2 Teachers (1,2)</p> <p>1 Specialist (PE)</p> <p>3 K Paraprofessionals</p>	<ul style="list-style-type: none"> <li>● Based on the information that we have now, with 7 sections of grades 1 and 2, class sizes would be at 21 or 22</li> <li>● Currently, Shay has two PE teachers - this would reduce us to one teacher. It will likely impact scheduling and possibly the ability to have an entire grade level team at the CPT meetings</li> <li>● This will leave each Kindergarten teacher without an assigned paraprofessional for even a portion of the day</li> </ul>



- Based on the updated gap (referenced above) and the resulting changes to anticipated reductions (not reducing by a teacher at the Kindergarten level), at the March 2nd SC meeting, I would like to ask the SC to vote on opening School Choice for Kindergarten for the 26-27 School Year
- Adding back the 3 Kindergarten paras would cost \$105,000 or a .26% increase

# Building Based Reductions CES

Reduction	Impact
<p>COTA (.6) SLPA (1.0) <b>ADD IN:</b> SLP (.4)</p> <p>Special Ed Teacher</p> <p>Paraprofessional (LBLD)</p>	<ul style="list-style-type: none"> <li>• Both the COTA (.6) and the SLPA (1.0) will be reduced based on the IEP demand for services (rightsizing) with the addition of a SLP (.4)</li> <li>• Each grade level special education teacher will have an increased caseload and may impact teacher workload, particularly in regards to testing, running IEP meetings, and progress reports.</li> <li>• The number of students in the LBLD program can be very effectively serviced by the LBLD teacher (rightsizing)</li> </ul>



- To add back the Special Education Teacher would cost \$75,000 or .19%

# Building Based Reductions AMS

Reduction	Impact
<p>1 Science Teacher 1 Social Studies Teacher</p> <p>1 PE Teacher 1 Tech Teacher (retirement)</p> <p>1 School Counselor</p> <p>All Co-Curriculars</p>	<ul style="list-style-type: none"> <li>MS Team Model does not disappear completely, but is more departmentalized. Teachers are required to cover multiple grade levels and multiple core subjects. Grade 8 Core classes will be at an average of 25 students per class.</li> <li>EAST class offerings will be reduced to Art, Health, PE, STEM and Band/Chorus.</li> <li>Enrollment in Band/Chorus will not be based on preference. Given the need to balance class sizes with reduced EAST offerings, students will be assigned to either Band or Chorus to balance class size rather than by their individual preferences.</li> <li>All students would be split between only two Counselors, resulting in significantly higher caseloads (~190 students per Counselor). This would limit the Counselors' abilities to support the day to day situations that arise and, in turn, require more interventions from building Administration.</li> <li>No after school programming. Students lose their extra-curricular connection to the school and lose opportunities to express themselves in creative ventures, which is vital to their social and emotional development in Middle School.</li> </ul>



- To remain a true middle school model, we would need an additional 2 teachers, a total of \$150,000 or a .38 % increase to the budget
- To add back the co-curriculars would cost \$23,000 or a .05% increase to the budget

# Building Based Reductions

## AHS

Reduction	Impact
1 English Teacher 1 Social Studies Teacher .5 Science Teacher (retirement) World Language Art Teacher (.5 LTS) Athletic Secretary Identified co-curricular positions Operational reductions	<ul style="list-style-type: none"> <li>● Larger class sizes (23+), reductions in offerings, potential loss of electives/CP2 level</li> <li>● Larger class sizes (26+), reduction in/loss of offerings/electives</li> <li>● Larger class sizes (24+), reduction in offerings, potential loss of electives</li> <li>● Would become a one language school substantially limiting students and increasing class sizes (22+)</li> <li>● Only one art teacher, reduction in range of offerings and the number of seats for students</li> <li>● Role will have to be absorbed by another secretary and/or absorbed by the AD/AP</li> <li>● Loss of opportunities for students who value these offerings</li> <li>● No NEASC visit this year, less access to textbooks as well as teacher and guidance supplies</li> </ul>

- To add back the art teacher would cost \$ 60,037 or .15%



# Building Based Reductions AIHS

AIHS will not have any reductions and will be able to remain at 71  
Friend Street

- The Church has agreed to reduce our rent for next year from \$120,000 to \$108,000 or the equivalent of \$9000 per month as opposed to \$10,000 per month
- The Church is willing to discuss lease to own when the City is ready
- Given the 3 tuition in students, we are able to offset the operating costs for AIHS by at least \$171,000
- The estimated savings by moving AIHS to AHS and keeping it an Innovation School was approximately \$250,000



# Building Based Reductions District/Operations

Reduction	Impact
<p>HVAC Contracted Services</p> <p><b>ADD IN:</b> HVAC position HVAC supplies</p> <p>Unemployment</p>	<ul style="list-style-type: none"> <li>● Currently, we contract with ENE for our HVAC services for approximately \$325,000               <ul style="list-style-type: none"> <li>○ By not renewing the contract and creating an HVAC position dedicated to the schools and potentially the City as well, we would gain additional hours of service and not have to share the technician's time with the other districts with which ENE has contracted</li> <li>○ We would add funding for equipment and supplies to the budget</li> <li>○ We anticipate a savings of approximately \$100,000</li> </ul> </li>   <li>● After reviewing the impact to our unemployment costs over the last few years, we determined that we could reduce that line by \$50,000 as most of the individuals holding positions that have been cut in past years, have found other employment</li> </ul>



- As part of the budget process, we reviewed the feasibility of changing our model of using a cleaning companies and MPFTs. In order to reach a level of acceptable cleanliness, we would need to hire a significant number of additional staff members that would exceed the cost we pay for the cleaning services. The equipment we need in order to make this change is not factored into this increase.
- We just went out to bid and to company to which we anticipate awarding the bid came in at the same amount as this year for the next three years

# Priority Add-Back List

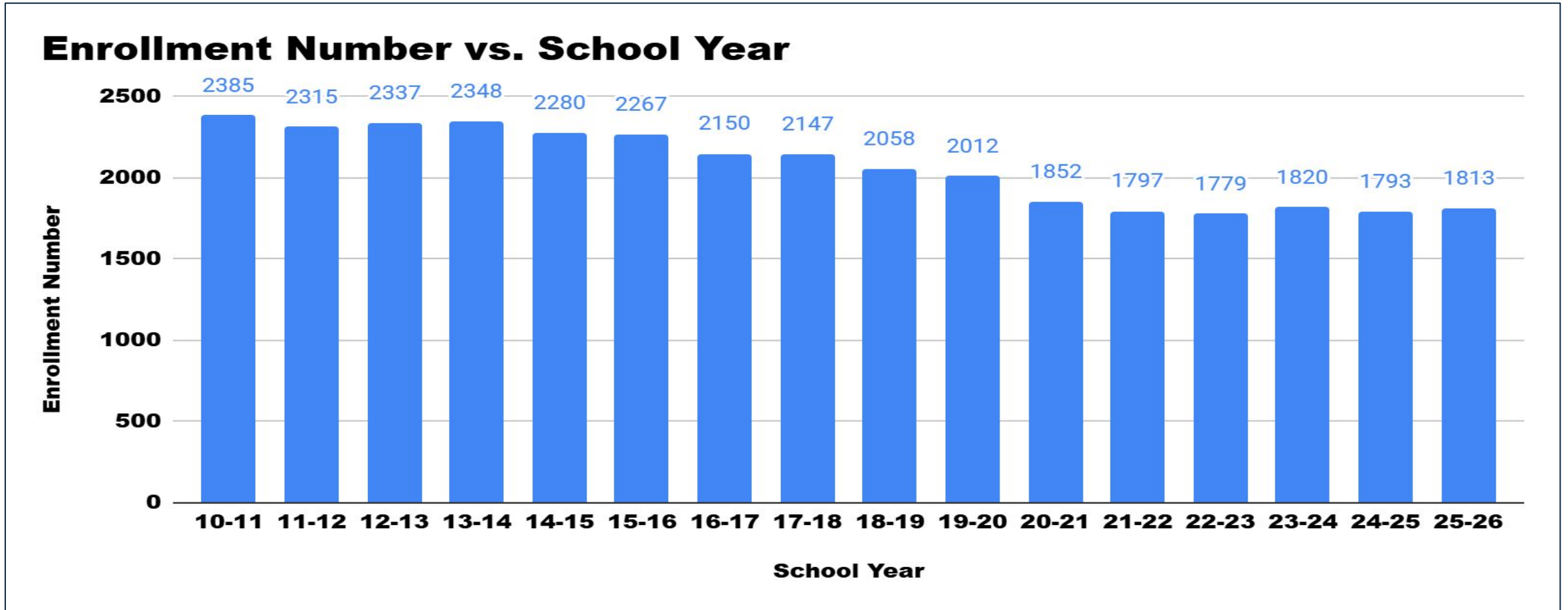
<b>Reduction</b>	<b>Cost</b>	<b>Percentage increase to the budget</b>
<b>3 K paraprofessionals</b>	<b>\$105,000</b>	<b>.26%</b>
<b>2 Middle School Core Teachers</b>	<b>\$150,000</b>	<b>.38%</b>
<b>AMS Co-Curricular Activities</b>	<b>\$23,000</b>	<b>.05%</b>
<b>AHS Art Teacher LTS</b>	<b>\$60,037</b>	<b>.15%</b>
<b>CES Special Education Teacher</b>	<b>\$75,000</b>	<b>.19%</b>
<b>Total Cost/Percentage for All</b>	<b>\$413,037</b>	<b>1.03%</b>



# Enrollment Information 2025-2026 School Year

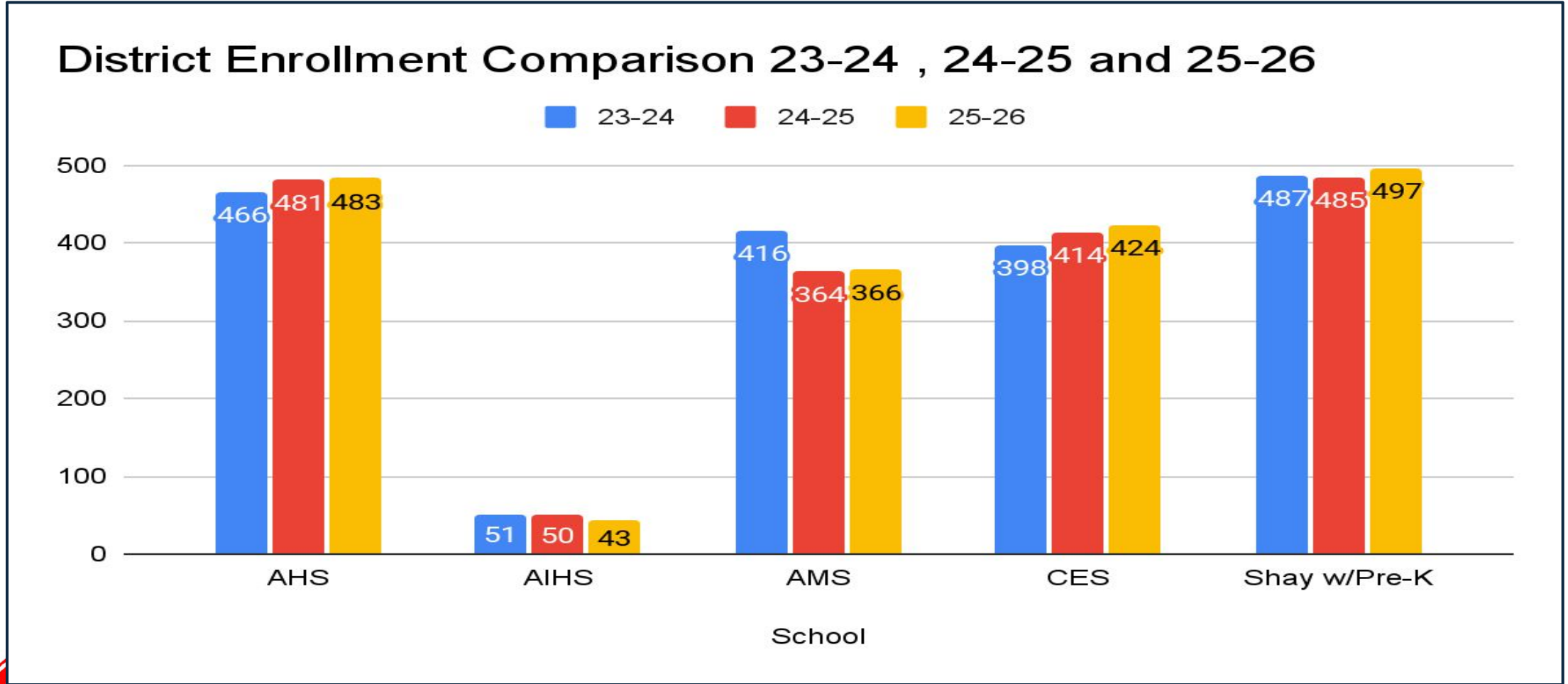


# Enrollment Information



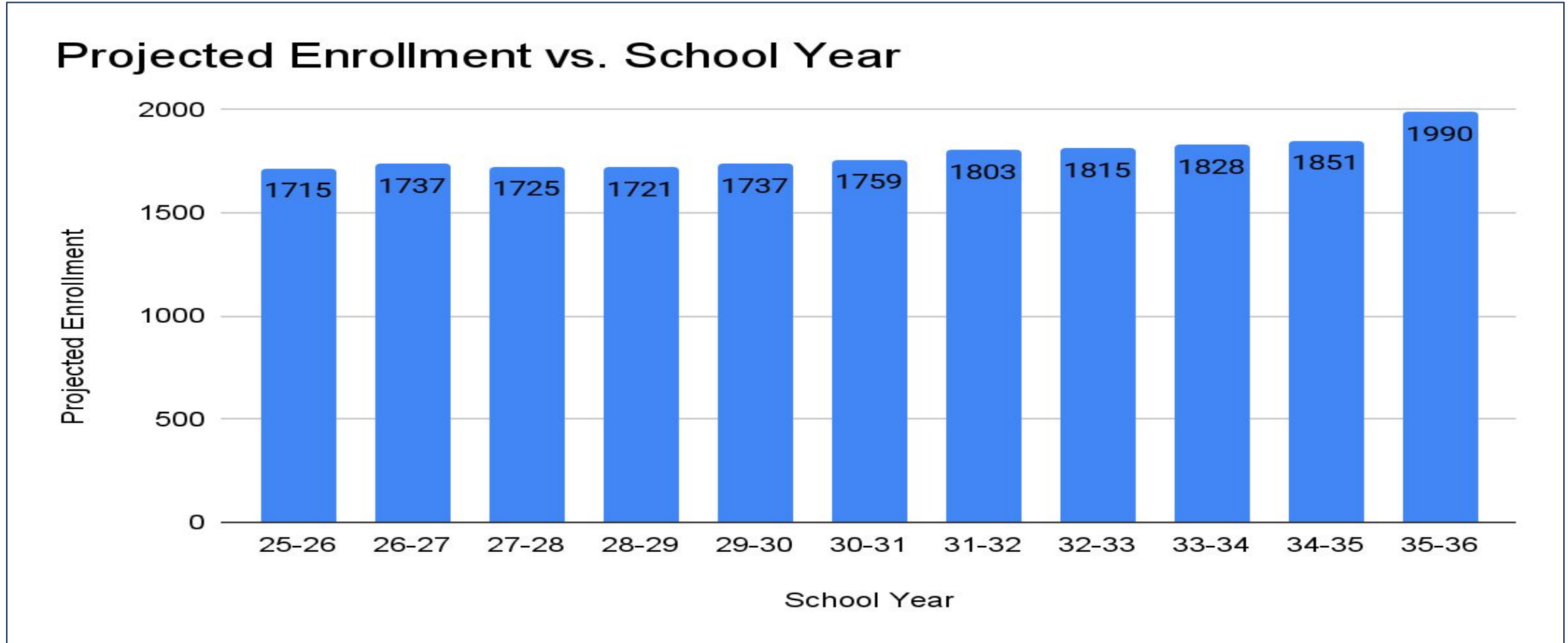
- For the past three years, our overall district enrollment has averaged approximately 1809 students.

# Enrollment Information - By Building



- Over the last two years, with the exception of AIHS, the enrollment in each building has increased
- It is important to remember that in 23-24 we opened Shay and reconfigured the District

# Enrollment Information

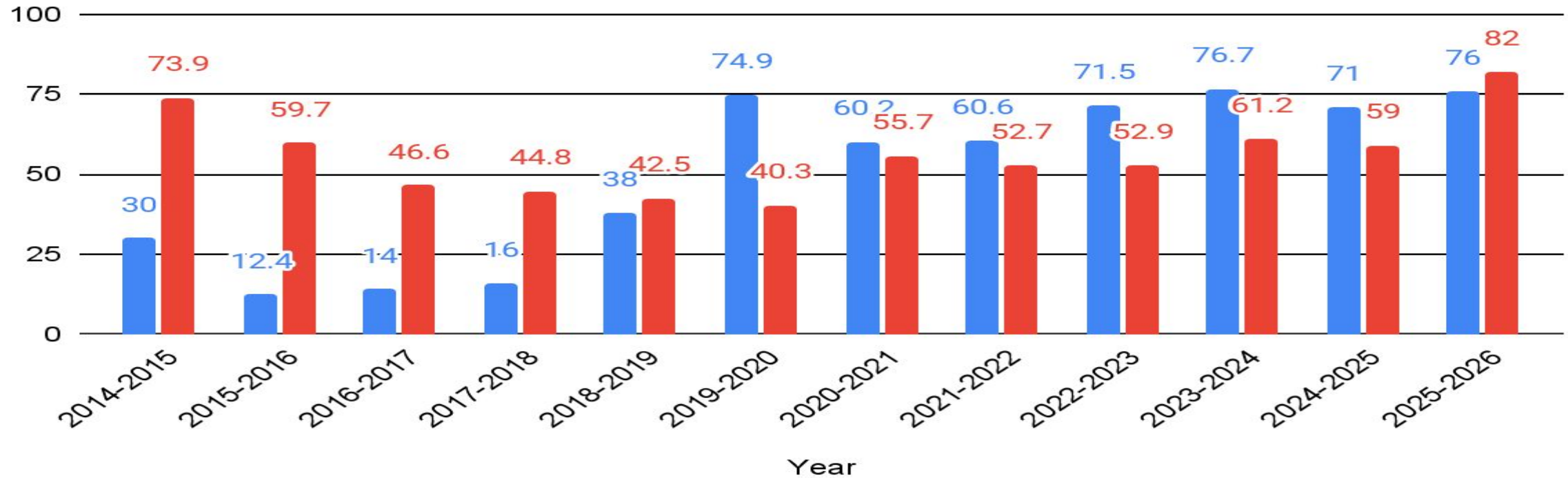


- Over the next 10 years, NESDEC (New England School Development Council) projects our district's overall enrollment to increase by approximately 275 students

# School Choice - IN vs. OUT

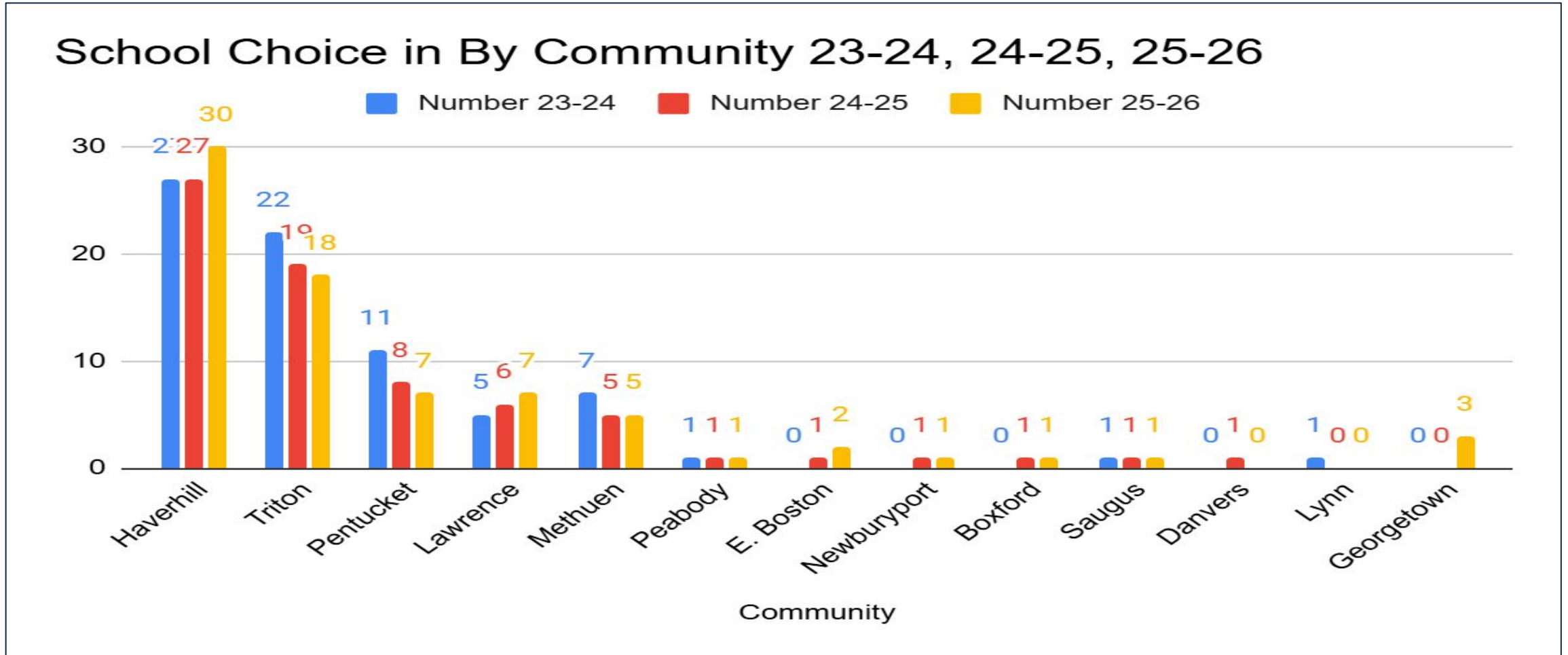
## School Choice In and School Choice Out

In Out



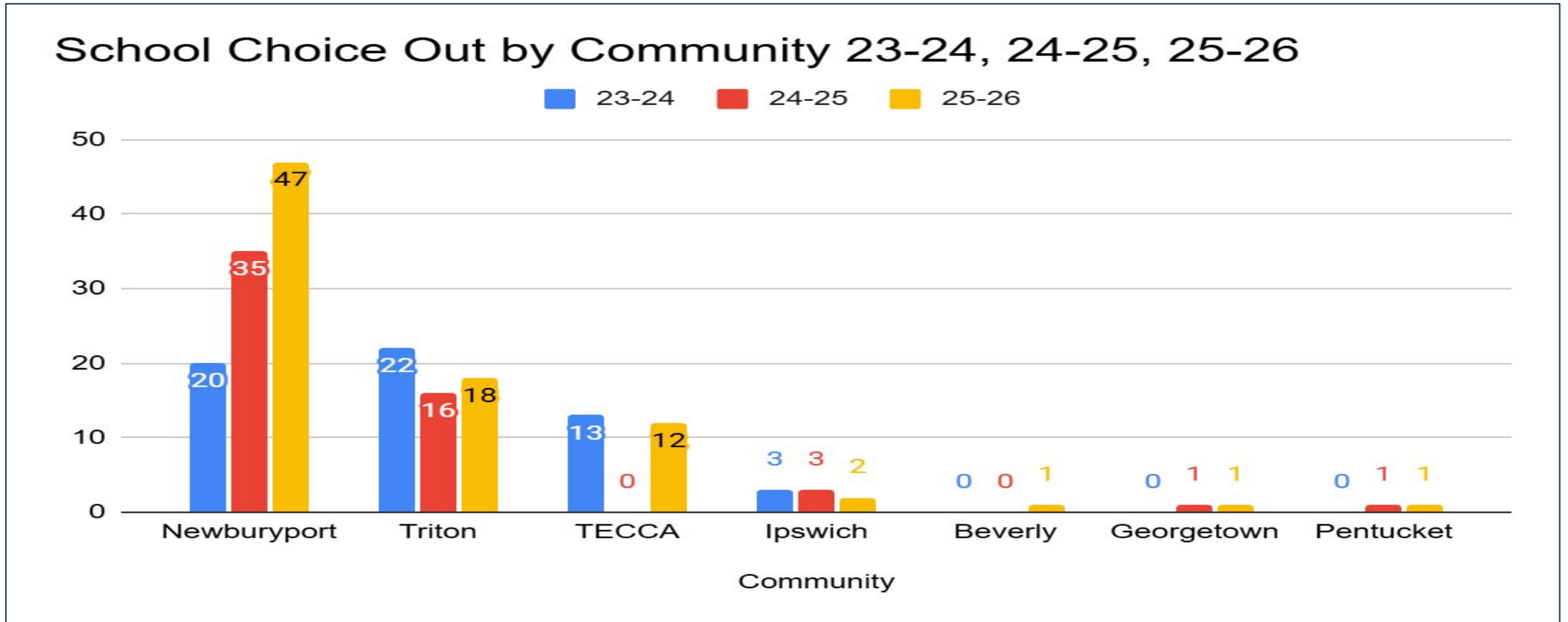
- Since 2019-2020 until the current school year, our School Choice In has been higher than our School Choice Out.
- From last year to this year, we added 5 more “choice in” students but lost 23 more “choice out” students

# School Choice IN - By Community



- Haverhill, Triton, Pentucket, Lawrence and Methuen are our greatest SENDERS
- New this year - Georgetown (likely budget related)
- Total amount in - 76 students

# School Choice OUT - By Community



- More than half of our school choice OUT go to Newburyport. Back to back yearly increases of 15 and 12 students
- We SEND 18 students to Triton and RECEIVE 18 students from Triton

# Top Three “Choice Out” Districts - By Grade School Year 25-26

The number of students attending Newburyport for middle and high school could be connected to the consistent conversations about our budget and the ongoing reductions in offerings

**TECCA** cost per student - \$13,189

**Choice** per student - \$5,000 (not counting any additional special education costs)

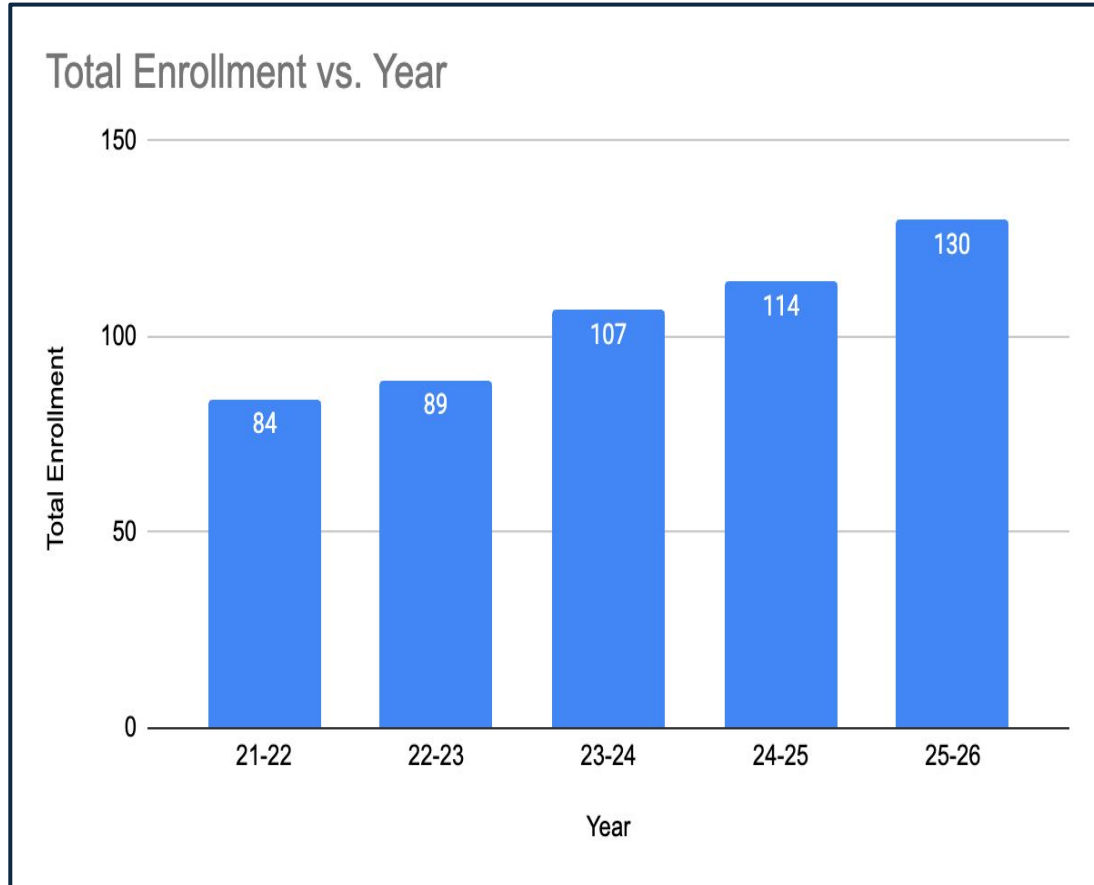


Newburyport Choice Out - By Grade	
Grade	Number
1	2
2	3
3	1
4	1
5	3
6	5
7	6
8	5
9	8
10	6
11	4
12	3
Total	47

Triton School District Choice Out - By Grade	
Grade	Number
1	1
2	0
3	2
4	1
5	1
6	4
7	4
8	1
9	0
10	1
11	2
12	1
Total	18

TECCA Choice Out - By Grade	
Grade	Number
1	0
2	0
3	0
4	0
5	1
6	0
7	1
8	0
9	3
10	2
11	3
12	2
Total	12

# River Valley Charter School



**River Valley By Grade (2025-2026)**

Grade	Number
K	14
1	13
2	16
3	13
4	22
5	10
6	10
7	16
8	16
<b>Total</b>	<b>130</b>

Grade	23-24	24-25	25-26
K	10	15	14
1	12	15	13
2	17	13	16
3	13	20	13
4	8	12	22
5	13	8	10
6	11	15	10
7	8	10	16
8	15	6	16
<b>total</b>	<b>107</b>	<b>114</b>	<b>130</b>



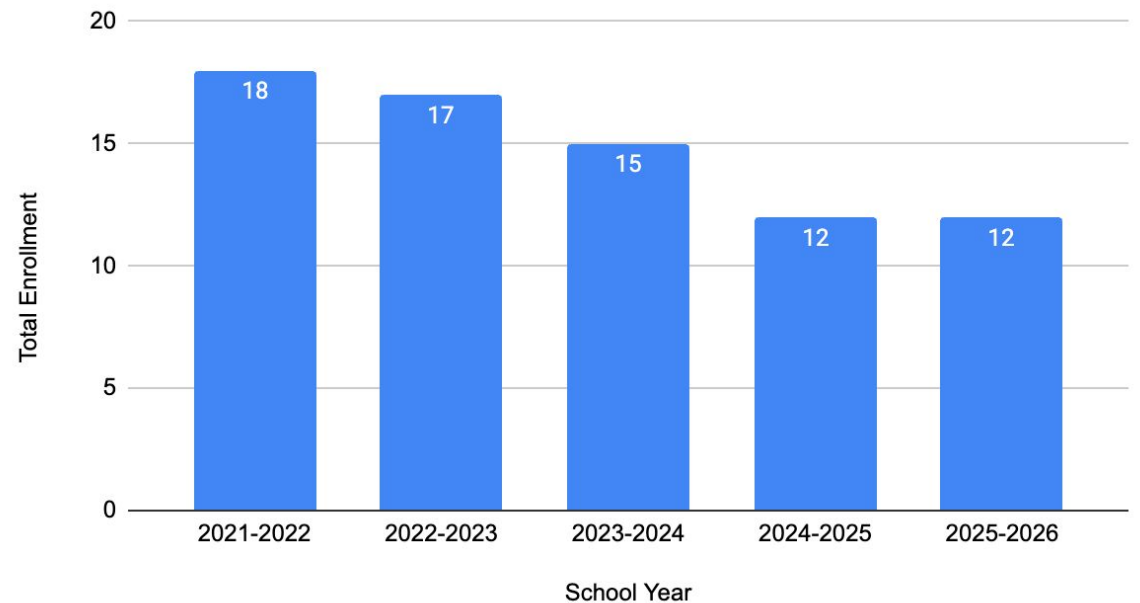
- In the past 5 years, the number of Amesbury students enrolling in River Valley has increased by 46
- This represents a 55% increase since 2021-2022

# South Hampton Students at AHS

Grade	21-22	22-23	23-24	24-25	25-26
9	3	2	5	4	3
10	3	3	1	4	4
11	6	6	3	1	4
12	6	6	6	3	1
<b>Total</b>	<b>18</b>	<b>17</b>	<b>15</b>	<b>12</b>	<b>12</b>

- There are currently 12 8th grade students at Barnard - we anticipate that 6 will enroll at AHS
- With only one senior graduating and possibly 6 freshman, we may have a small bump in our South Hampton revenue
- Accordingly, with reduced enrollment we have reduced revenue
- Currently, we offset the salaries of 2 staff members at the high school with the South Hampton tuitions.

South Hampton Students at AHS over the Years



# Whittier Vocational Technical School

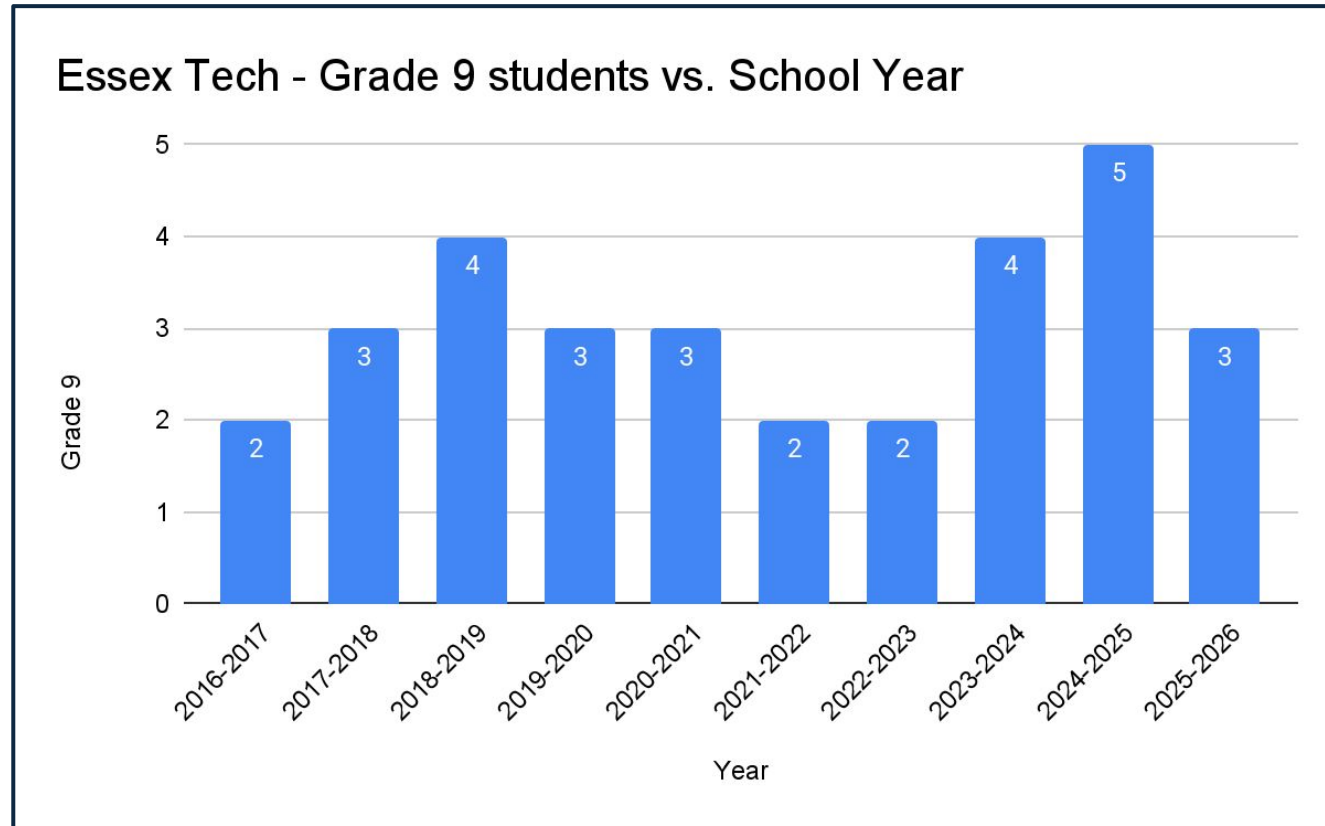
Whittier Students 2025-2026	
Grade	Number
9	26
10	26
11	31
12	28
Total	111



- The number of students attending Whittier peaked in 2023-2024
- With the new lottery system for Vocational Schools - Amesbury has 29 seats reserved for them each year.

# Essex Tech and Private

Essex Tech 2025-2026	
9	3
10	6
11	3
12	2
<b>Total</b>	<b>14</b>



Private	
School	Number
Immaculate Conception	21
St. John's Prep	18
Central Catholic	14
Clark School	8
Waring School	6
Bradford Christian	5
Bishop Fenwick	4
Pingree	3
Sacred Heart	2
Phillips Exeter	2
St. Pius V	1
Governor's Academy	1
<b>Total</b>	<b>85</b>

- In the last 3 years, an average of 4 students per year have opted to attend Essex Tech
- When combined with the 130 students at River Valley, the 21 students attending IC represent a significant number of elementary students opting out of our district



# Select Populations

**FLNE** - First Language not English - a language other than English is spoken at home.

**ELL/ML**- English Language Learner/Multiple Language Learner - a student whose primary language is not English and whose English proficiency or lack thereof provides a barrier to successful learning

**LI** - Low Income (2021-2022 SOA) - (Previously Economically Disadvantaged) - is calculated based on a student's participation in one or more of the following state administered programs: Supplemental Nutrition Assistance Program (SNAP), the Transitional Assistance for Families with Dependent Children (TAFDC), the Department of Children and Families' (DCF) foster care program expanded MassHealth (Medicaid) up to 185% of the federal poverty level, as well as student the district confirmed had met the low income criteria through the supplemental process and collected the required supporting documentation.

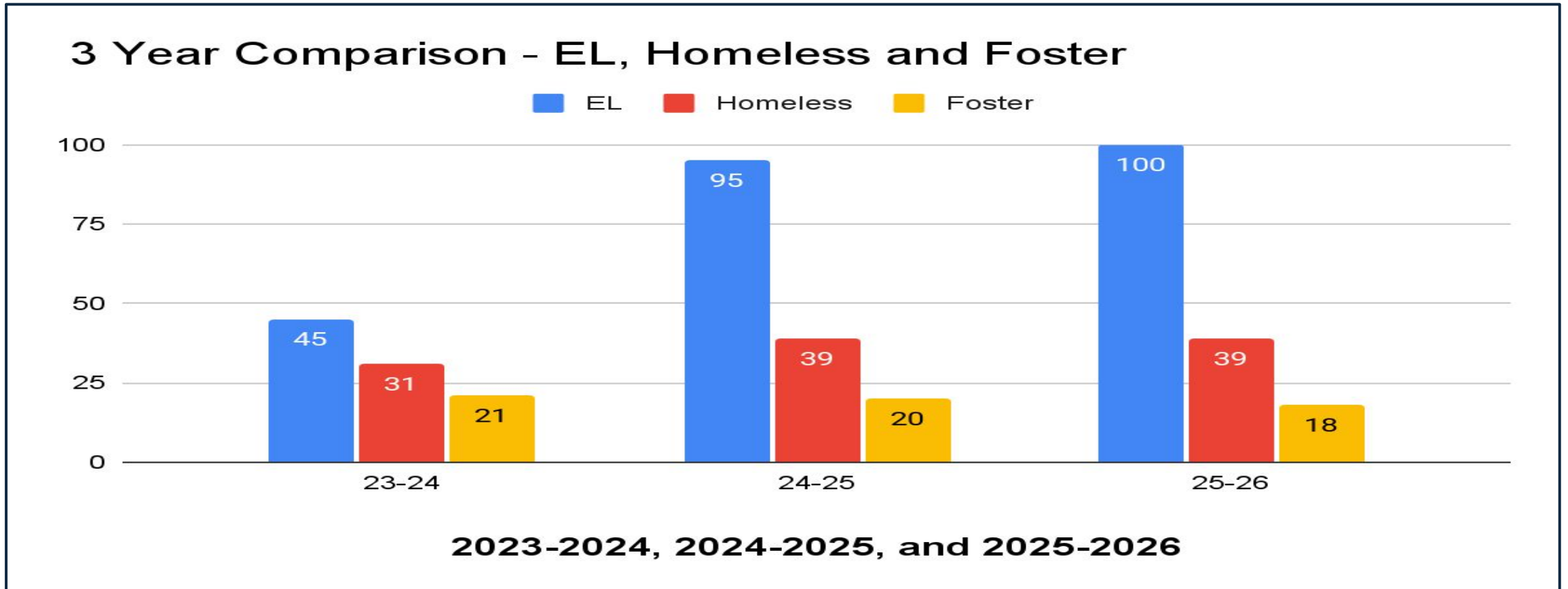
**SWD** - Students with Disabilities - the percentage of enrollment who have an Individualized Education Program (IEP)

**HN** - High Needs - Calculated based on the number of high needs students, divided by the adjusted enrollment. A student is high needs if they are designated as either low income/economically disadvantaged, EL **OR** former EL, or a student with disabilities.

Definitions from DESE School and District Profiles - [About the Data](#)



# Select Populations



- The number of EL students increased by 5 from last year and by 55 over the past 3 years or a 125% increase
- The number of students identified as homeless has remained the same for the past two years
- The number of students reported to be in foster care decreased by 2 since last year

# Post Graduate Plans

	2021	2022	2023	2024	2025
<b>Graduates</b>	107	111	106	103	101
	<b>Percent</b>	<b>Percent</b>	<b>Percent</b>	<b>Percent</b>	<b>Percent</b>
<b>Continuing</b>	79.3	87.4	83	89	84
<b>Four-Year State College</b>	35.6	45.4	38	51	33
<b>Four-Year Private College</b>	24.4	36.1	27	20	26
<b>Two-Year State</b>	16.3	17.5	12	12	24
<b>Two-Year Private</b>	0	0	0	0	0
<b>Trade</b>	3	1	6	6	2
<b>Military</b>	3	0	1	0	2
<b>Work</b>	14.8	8	8	4	8
<b>Other/Travel</b>	3	4.5	8	7	6



- The number of students continuing their education at 4 year colleges decreased by 12% from last year
- The number of students continuing their education a 2 year schools doubled since last year from 12 to 24%
- The number of students entering the trades decreased by 4
- The number of students going straight to work doubled from 4 to 8

# Summary

- The budget conversations around potential reductions directly impacts the choices our families make in terms of where they send their children
- The ongoing reduction in course offerings and electives (particularly at the middle and high school levels) is accelerating student out-migration. With back-to-back increases in students choosing Newburyport (now totaling 47), our district is losing its competitive edge. Each student that leaves takes state funding with them, which forces further budget cuts, thereby risking even higher exit rates in the future.
- While the district is currently forced into a "rightsizing" and reducing mindset—cutting core teachers, increasing class sizes to 25+, and removing kindergarten paraprofessionals to meet a level-funded budget—NESDEC projects an influx of 275 students over the next decade. This dismantling of our instructional infrastructure is occurring when long-term data indicates that we need to prepare for significant growth.



# Summary

- The significant increase in River Valley Charter School enrollment (130 students) combined with private school enrollments like Immaculate Conception (21 students) shows a trend of families opting out of our schools at the elementary level. Losing families this early prevents the district from establishing a K-12 relationship, drastically reducing the high school's future pipeline. This is precisely why I would like the School Committee to vote to open Choice at the Kindergarten level for next year
- In the recent past, we have operated with a net-positive School Choice program, bringing in more students than we lose. This year marks a concerning negative shift (losing 23 Choice Out students while only gaining 5 Choice In). If this trend solidifies, the district the risk of no longer being a "destination" district that benefits from choice revenue to a "departure" district losing funds to neighboring towns.
- In short, continued budget challenges like we have experienced over the past few years have begun to threaten the strength and desirability of our District

