

# Strategic Focus and Sustainability Budget 2027

*March 17, 2026  
School Committee Meeting*



# Agenda

- Mission & Strategy
- Budget Development Timeline
- Funding for Public Education
- Factors Influencing FY 2027
- Expenditure Forecast
- Steps to Balance the Budget
- 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



# BUDGET DEVELOPMENT

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



# Factors Influencing Budget FY 2027

*Both a Reduction in Revenue with Rising Costs*

- Enrollment declined by 350 students
- Expiration of ESSER funding
- Student Opportunity Act funding offset by enrollment reductions
  - MLL implications
- Rising salary expenditures
- Increasing charter school tuition obligations
- Escalating health insurance costs
- Higher transportation expenses
- Growing special education tuition costs

# Enrollment Trends

## CPS Enrollment Trends



Projected Enrollment for SY 26-27

Next year's budget (26-27) is based on October 2025 numbers

# Enrollment Decline in Gateway City Districts

District	Student Change	Percent Change
Chelsea	-350	-6%
Framingham	-584	-6.1%
Lynn	-435	-2.4%
Everett	-339	-4.2%
Marlborough	-337	-6.3%
Holyoke	-184	-3.2%

- Massachusetts overall lost 15,442 students this year.
- Districts with large multilingual populations - including Chelsea, Everett, Framingham, Lynn and Brockton are seeing the largest enrollment drops.
- **We are not the only district facing a budget shortfall.**

# Expenditure Breakdown (FY2027)

- Salaries / Labor (step increases + COLA)
- Employee Benefits (Placeholder Only)
- Facilities (non-labor)
- Info Technology (non-labor) (Must annually update devices)
- Professional Development
- Special Education (other than labor - significant need)
- Supplies / Books / Equip
- Transportation
- Utilities (Paid by Schools)

**2) EXPENSES Update  
existing costs for inflation**

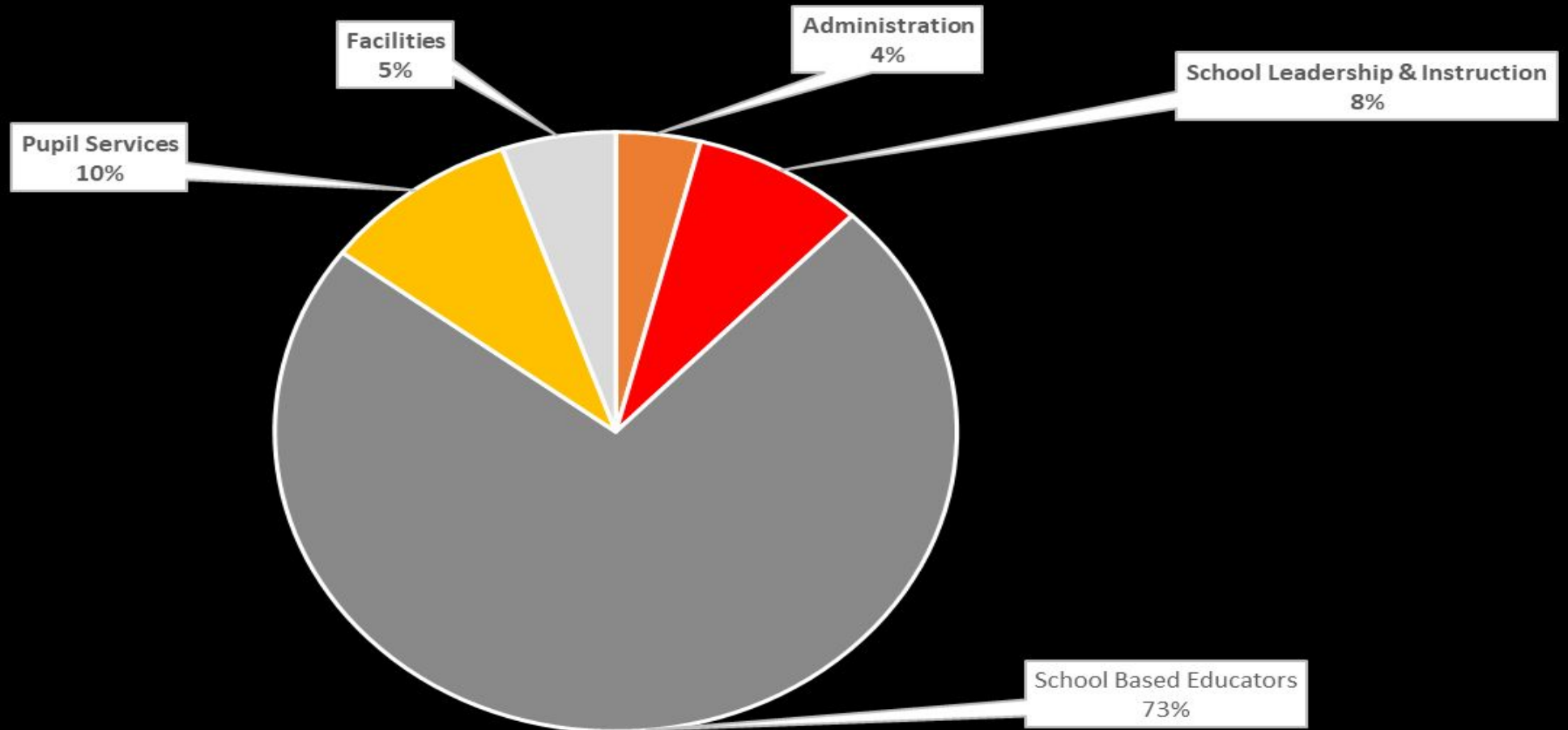
# Baseline Expenditure Forecast

Item	Jan to Feb 2026 Preliminary	Feb to March 2026 Balancing	Deficit Increase	
Staff Costs: Steps, COLA	\$6,700,000	\$6,980,000	\$280,000	Recent raises: COA/Step & Lane Increases
Staff Costs" Healthcare, Pension, etc.	\$1,200,000	\$1,970,000	\$770,000	Rate for health increase not available yet so est only; need to increase for unemployment cost rise after cuts; less reduction in health coverage than anticipated
Special Ed Tuition Increase	\$2,500,000	\$2,800,000	\$300,000	# of students current year plus trend projection for next yr
Transportation	\$500,000	\$500,000		Rate increases included by change in stud need could cause more increases; DESE working on this issue
Utilities, insurance, subs	\$750,000	\$750,000		Contractual increases reflected for utilities and subs
<b>Shortfall Before Revenue</b>	<b>\$11,650,000</b>	<b>\$13,000,000</b>	<b>\$1,350,000</b>	<b>Shortfall for Level Service Before Revenue Increase</b>
Governor's Budget	-\$2,388,000	-\$2,388,000		Ch 70 Inc + Req Min Contribution Inc for City
Above Min. Contribution (City)	-\$2,000,000	-\$2,000,000		Superintendent/City Manager agreement
<b>Shortfall After Revenue</b>	<b>-\$7,270,000</b>	<b><u>-\$8,612,000</u></b>		<b>Shortfall after Increase to Revenue</b>

# Staffing is 80% of Budget

## Where are the people??

### Salaries



# What We Heard from Our Listening Sessions

## Important to Keep/Protect

### From Educators

Positions closest to children  
Special Education staff  
Mental Health Supports

### From Parents

PreK  
ParentSquare  
Extended Learning  
Family Liaisons (serves families)  
Special Education Support  
-(positions closest to children)  
Mental Health Supports  
-(positions closest to children)  
Caminos Program  
Positions closest to children

## Areas We Can Do Potentially do Without

### From Educators

Consultants for Professional Development (i.e. nationally recognized professionals)  
Reduce District Administration  
Contracted Services (i.e. Alongside App)

### From Parents

Transportation (is it necessary?)  
Consultants (but weren't specific)

\*Please note: These are patterns that we heard.

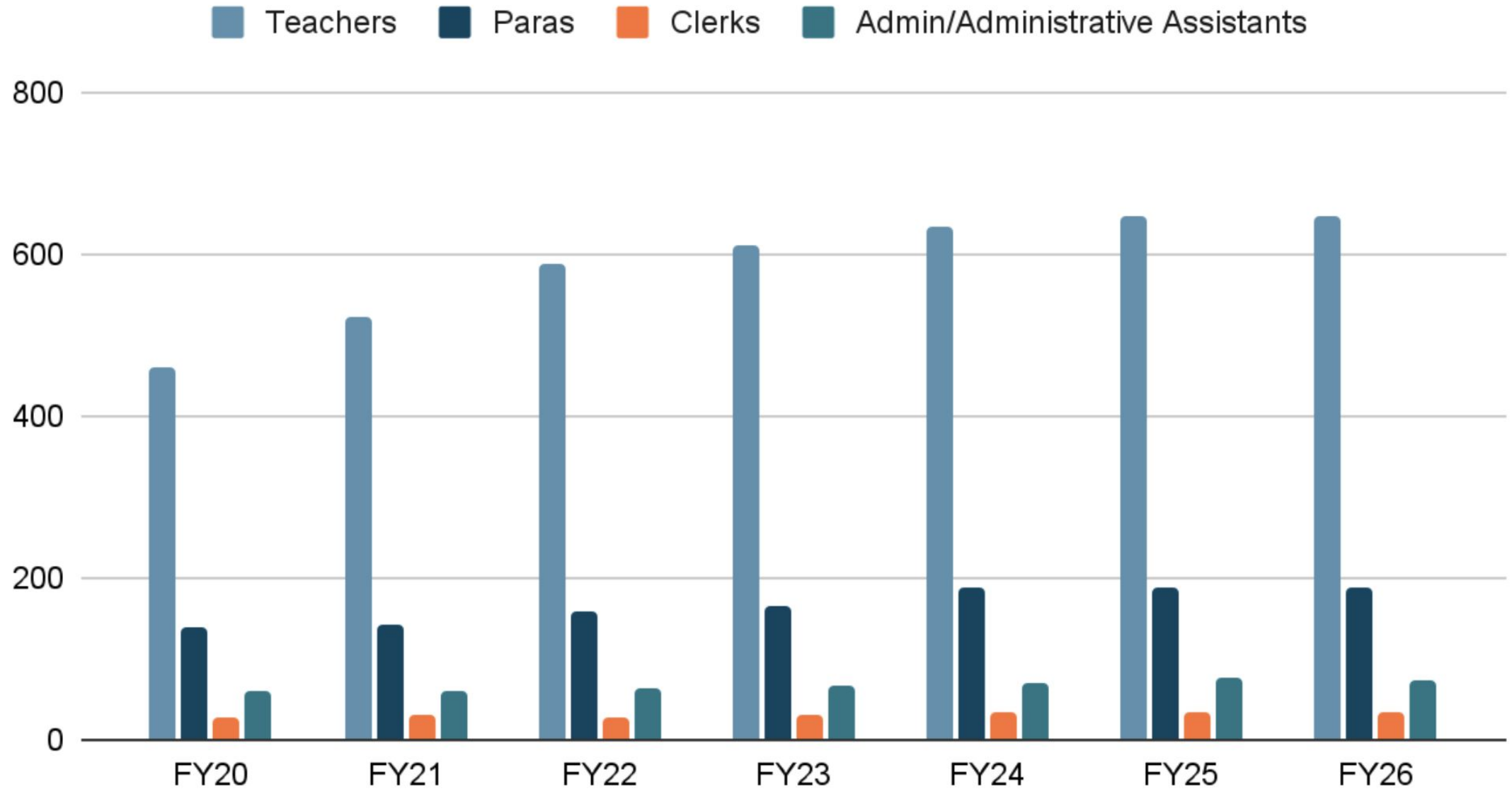
# Increases in School Based Positions from 2021-2026

Positions	FY 2020 (6257 n=students)	FY2021 (5936)	FY2022 (6074)	FY2023 (6153)	FY2024 (6148)	FY2025 (6100)	FY2026 (5749)	Change
Teacher Unit	460.0	524.0	586.7	609.4	643.4	645.4	645.4	185.4+ (40.2%)
Paraprofessionals	138.0	142.0	158.0	165.0	187.0	187.0	187.0	49.0+ (35.5%)
Clerks (School Based)	20.5	21.0	21.0	21.0	24.0	24.0	24.0	3.5+ (17.1%)
Clerks (District-wide)	8.5	9.0	8.0	9.0	10.0	10.0	10.0	1.5+ (17.6%)
<b>Total</b>	<b>627</b>  (baseline)	<b>675</b>	<b>773.70</b>	<b>804.40</b>	<b>864.40</b>	<b>864.40</b>	<b>864.40</b>	<b>239.4+</b> <b>38%+</b>

# Increase of District Positions from 2021-2026

Positions	FY 2020 (6257) n=students	FY2021 (5936)	FY2022 (6074)	FY2023 (6153)	FY2024 (6148)	FY2025 (6100)	FY2026 (5749)	Change (FY20-26)
Superintendent's Office Superintendent (1) /Assistant Superintendents(2) CAO (1) Exec Assistant (1) Communications (1) Chief of Staff/(1) SDP Coordinator	6	6	8	8	8	7	7	1
-MLE Department	1.5	1.5	1.5	2.5	3.5	3.5	3.5	2
-Wellness/Student Support (Admin only)	2	2	2	2	3	4	3	1
-Curriculum & Instruction & Assessment, Extended Learning, Early College, AVID	5	5	6	6	6	9	8	3
-Special Education & Admin Asst (Admin only)	4	4	5	6	6	6	6	2
-Human Resources	4	5	5	5	7	8	6	2
-Business Office (Includes CFO and staff)	13	13	13	13	13	13	13	0
-IT (Includes director & staff)	10	10	10	10	10	10	10	0
-Buildings and Grounds (Includes all directors)	5	5	5	5	5	5	5	0
-Parent Information Center & MKV (Includes Director and Staff)	9	9	9	9	9	10	10	1
-School Health/Nurses (Director)	1	1	1	1	1	1	1	0
<b>Total</b>	<b>60.5</b> baseline	<b>60.5</b>	<b>64.5</b>	<b>66.5</b>	<b>69.5</b>	<b>76.5</b>	<b>72.5</b>	<b>12+</b> <b>(20.2%)</b>

# Teachers, Paras, Clerks and Admin/Administrative Assistants



Revenue Sources  
the Same Just Not  
Enough

Inflationary Costs  
Outpacing our  
Increases

**BALANCE**



# How We Will Balance the Budget?

Item	Amount
<b>School Based</b>	
School Staff	\$6,850,000.00
<b>District Level</b>	\$1,762,000.00
District Staff	
Professional Development	
Consultants & Contractors	
Extraordinary Maintenance	
<b>Total</b>	<b>-\$8,612,000.00</b>



## District Level Reductions From Last Year (FY 2026) No School Based Reductions in 2026

Category	Details	Amount
Reduce Professional Development	DEEP Contract - Reduce	\$40,000
Reduce online services	Tutoring (FEV, Renaissance Learning)	\$146,500
Reduce staffing in HR	1 Recruitment and Retention Specialist	\$100,000
Reduce mediation specialists	2 mediation specialists - equity	\$150,000
Special Education Contract	Triangle contract	\$84,000
Special Education Staff at Webster	1 Clerk	\$50,000
Special Education Translators	2 translators (never filled)	\$100,000
Special Education - Braille	Not needed	\$100,000
Buildings and Grounds	Extraordinary Maintenance	\$300,000
Reduce extended learning	1 REACH Director (vacant)	\$88,000
Information Technology	Shift in carrier services - savings and reduce in refreshing of chromebooks	\$100,000
Reduce staffing in C&I	Literacy Director .5	\$50,000
	<b>Total</b>	<b>\$1,308,500</b>

## Total Reductions at the District Level

Fiscal Year	Districtwide Reductions	School-Based Reductions
2026	\$1,308,500.00	\$0
2027	\$1,762,000.00	\$6,850,000
<b>Total</b>	<b>\$3,070,500.00</b>	<b>\$6,850,000</b>

\*\*We did not make cuts at the schools last year. We balanced the budget by reducing at the district level.

\*\*\*District level staff is 4% of the entire district's budget.

\*\*\*\*School based educators are 73% of the district's budget.

# District-Wide Reductions Suggested for FY2027 (non-staff)

<b>District Cost</b>	<b>Category</b>	<b>Amount</b>
District Stipends	Mentor/Lead Stipends	-\$100,000
District SPED Contracts	SPED Out of District Tuition	-\$200,000
District Contracted Services	Wellness /Equity (Blackprint/Engaging Schools)	-\$100,000
District Contracted Services/Stipends	Extended Time	-\$100,000
District Contracted Services	Human Resources	-\$ 50,000
District Extraordinary Maintenance	Buildings and Grounds	-\$362,000

## District-Wide Reductions Suggested for FY2027 (Administrative Staff)

District Cost	Category	Amount
District Staff	1 Human Resource Specialist	-\$100,000
District Staff	1 Budget Administrator	-\$90,000
District Staff	1 Principal Clerk - Business Office	-\$60,000
District Staff	1 Technology Webmaster	-\$100,000
District Staff	1 Administrative/Director	-\$150,000
District Staff	1 Administrative/Director	-\$150,000
Admin COA	1 Assistant Principal	-\$100,000
Retired Staff	Retired Administrative Support	-\$100,000

## ELC School Budget Reductions

Paraprofessionals (ACE)	-2.00
Paraprofessionals	-6.00
Coach	-1.00

## Sokolowski Budget Reductions

Dig Lit Coach	-0.50
Tech Spec Tch	-0.50
Para (funded by sped budget)	-1.00
MLE	-1.00
Gr 3 Tch	-1.00
Librarian	-0.25
Tutor	-0.75
Gr 2 Teacher	-1.00
Gr 4 Teacher	-1.00

## Kelly Budget Reductions

Digital Literacy Coach	-0.50
Technology Specialist	-0.50
Imagine Learning Platform	non FTE
Librarian	-0.25
Tutors	-0.50
MLE Teacher	-3.00
Paraprofessionals	-2.00

## Berkowitz Budget Reductions

Reading Teacher	-1.00
Dig Lit Coach	-0.50
Para (funded by sped budget)	-1.00
Tech Spec Tch	-0.50
Gr 3 Tch	-1.00
Librarian	-0.25
Tutor	-1.00
Gr 2 Teacher	-1.00
Gr 4 Teacher	-1.00

# Hooks School Budget Reductions

Digital Lit Coach	-0.50
Technology Specialist	-0.50
Grade 3 Teacher	-1.00
Para (funded by SPED budget)	-1.00
Librarian	-0.25
Tutors	-4.00
Grade 2 Teacher	-1.00
Grade 4 Teacher	-1.00
Reading Specialist	-1.00

# Clark School Budget Reductions

Foundation Teacher	-3.00
UA Specialists: History	-1.00
Digital Content Lit Coach	-1.00
Paraprofessional	-2.00

## WSTA Budget Reductions

Learning Center Teacher (Sped)	-1.00
Learning Center Para	-1.00
Library Paraprofessional	-1.00
Classroom Paraprofessional	-1.00
Special Ed Teachers (Liaisons)	-4.00
Add Interventionist	1.00
Instructional Coach	-0.50

## Browne School Budget Reductions

SLIFE Tch	-1.00
MLE Teacher	-2.00
SPED Liaison	-1.00
History Teacher	-1.00
UA Teacher - College Readiness	-1.00
MLE Coach	0.50

# Chelsea High School Budget Reductions

English Teachers	-2.00
Math Teachers	-2.00
Science Teachers	-2.00
MLE Teachers	-8.00
Counselors	-2.00
Social Workers	-1.00
History Teacher	-1.00

## CVLA Budget Reductions

SPED Teacher	-1.00
MLE Teacher	-0.50
Sped teacher	-0.50
Para	-1.00

# COA Budget Reductions

Assistant Principal (Admin)	1.0 FTE
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# Remaining Budget Meetings



**Thursday, March 19**



**6:30 p.m.**



*Virtual Meeting*



**Thursday, March 26**



**7:00 p.m.**



*TBD*



