

School Committee Budget Workshop 4/16



Empowering Student Success Through Strategic Resource Allocation



Agenda

- Budget Background & Refresher
- Legacy Budget Concerns
- FY27 Level Service & Priorities
- FY27 Current Position
- Strategies to Close a portion of the Gap
- The last \$350,000.01!



Level-Funded vs Level-Service vs Increased Service

- Level-Funded
 - Same \$\$\$ as previous year
 - Typically indicates a reduction in services / staff
- Level-Service
 - Providing all of the services / staffing / supplies as the previous year.
 - Typically includes salary increases (CBA commitments) and contracted services increases.
 - Roughly a 5% increase over previous year is needed.
- Increased Services
 - Adding funds above Level Service to increase services / staffing

Projected Funding:

The initial FY27 Governor's Budget calls for

- Haverhill Chp 70 Aid - \$96,427,042.00
- Minimum Local Contribution 65,990,591
- Total Foundation Budget \$154,969,204

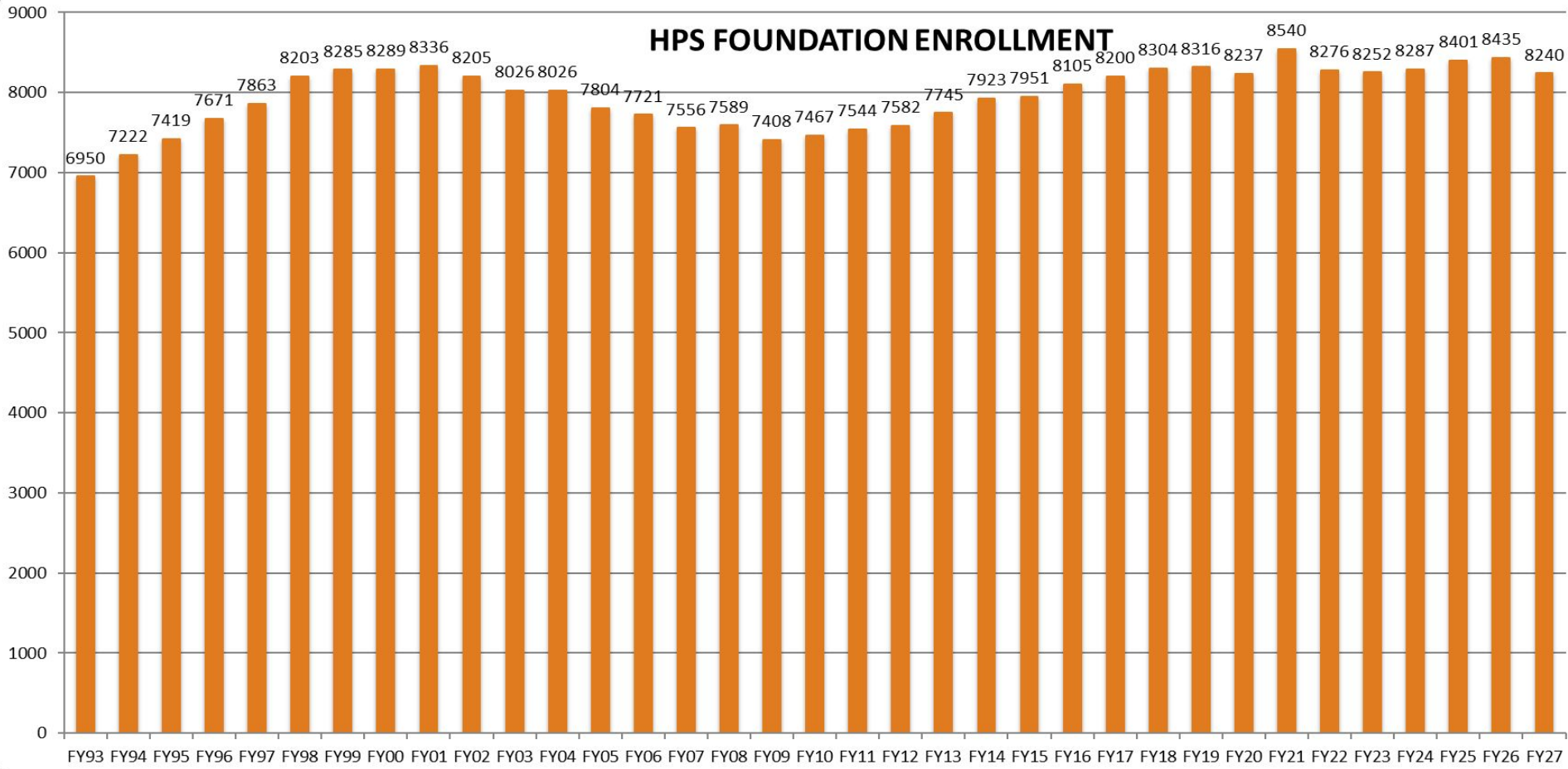
Projected Budget:

- Chapter 70 Aid - \$96,427,042.00
- City Monetary Contribution - \$40,571,575.63
- Total Projected Budget - \$136,998,617.63
 - \$3,196,957.63 / 2.39% Overall Increase



Haverhill Public Schools

HPS FOUNDATION ENROLLMENT





Budget History

| FY | City | Chp 70 / State | Total LEA | ESSER | Total Funding | % Change |
|-------------|---------------------|---------------------|--------------------------|-------------|----------------------|--------------|
| 2016 | \$23,799,464 | \$46,462,498 | \$70,261,962 | | \$70,261,962 | |
| 2017 | \$24,188,425 | \$49,625,635 | \$73,814,060 | | \$73,814,060 | 5.1% |
| 2018 | \$26,537,259 | \$52,474,585 | \$79,011,844 | | \$79,011,844 | 7.0% |
| 2019 | \$29,411,687 | \$54,644,839 | \$84,056,526 | | \$84,056,526 | 6.4% |
| 2020 | \$31,699,117 | \$58,353,924 | \$90,053,041 | | \$90,053,041 | 7.1% |
| 2021 | \$32,859,076 | \$63,349,956 | \$96,209,032 | \$1,891,756 | \$98,100,788 | 8.9% |
| 2022 | \$33,700,777 | \$64,982,436 | \$98,683,213 | \$7,648,488 | \$106,331,701 | 8.4% |
| 2023 | \$33,098,274 | \$73,906,310 | \$107,004,584 | \$8,411,850 | \$115,416,434 | 8.5% |
| 2024 | \$36,548,274 | \$82,633,811 | \$119,182,085 | \$8,755,191 | \$127,937,276 | 10.8% |
| 2025 | \$38,616,610 | \$87,968,052 | \$126,584,662 | \$2,000,000 | \$128,584,662 | 0.5% |
| 2026 | \$39,582,025 | \$94,219,635 | \$133,801,660 | - | \$133,801,660 | 4.1% |
| 2027 | \$40,571,576 | \$96,427,042 | \$ 136,998,617.63 | | \$136,998,618 | 2.39% |



Legacy Budget Concerns

ESSER Funding Overview (FY21–FY25)

- Haverhill Public Schools received **\$26.7 million** in **ESSER (Elementary and Secondary School Emergency Relief)** funds. **As of FY25, this funding ended.**



Strategic Use of ESSER Funds

- From the outset, Haverhill Public Schools understood that ESSER funding was temporary.
- Some funds were used for one-time expenses, in line with typical practices for non-recurring funding.
- However, in the aftermath of the pandemic, our students' greatest need was **people**—counselors, interventionists, and support staff.
- We made a deliberate choice to invest in people, knowing that difficult decisions and budget cuts would follow in future years.



Legacy Budget Concerns

HPS **strategically invested ESSER funds** to meet critical infrastructure and educational needs during and after the COVID-19 pandemic.

We fully utilized all funds before the federal deadline.

Key Areas of Investment:

- ✓ **HVAC Repairs** – Improving air quality and ventilation
- ✓ **Facilities Upgrades** – Enhancing safe, functional learning environments
- ✓ **Curriculum & Materials** – Purchasing high-quality instructional resources
- ✓ **Staffing Supports** – Hiring interventionists, counselors, nurses, custodians
- ✓ **Preschool Expansion** – Increasing access to early education



FY27 Level Service Budget

\$142,290,092.38

FY27 Budget Target

\$136,998,617.63

Gap to Close

\$5,291,474.75

Level Service Baked in Costs:

- Haverhill's salaries represent approximately 81% of our spending in FY26. **This number is low due to the amount of unsettled contracts.**
- Any agreed upon contractual agreements including steps, cost of living adjustments, and other items located throughout CBA's.
- Based on past settlement agreement we have included money to cover cost of contracts that are unsettled and will expire.
- Increased all utility lines by 4%. Also added additional funds to the middle schools and high school at this time. Utility rate increases are astronomical this year. Until more is determined we have increased the numbers.
- Special Education OOD Private Schools = 4.5+% tuition increase
- Supply lines, facilities service lines, contracted services, overtime, etc - 3% increase. These have since been removed.

Budget Priorities :

- Leadership met with the Budget Subcommittee, Principals, the School Committee, Parent Councils, a community survey, and various other stakeholder groups to hear their priorities.
- Continue an emphasis on prioritizing student needs and enhancing the school system to positively impact our students and teachers.
- Focus on social, emotional, and behavioral challenges of students that impact their ability to learn and thrive.
- Investment in high quality curriculum materials across all grade levels and learning abilities.
- Protect the additions that have been made and continue to build upon them.

Current Situation:

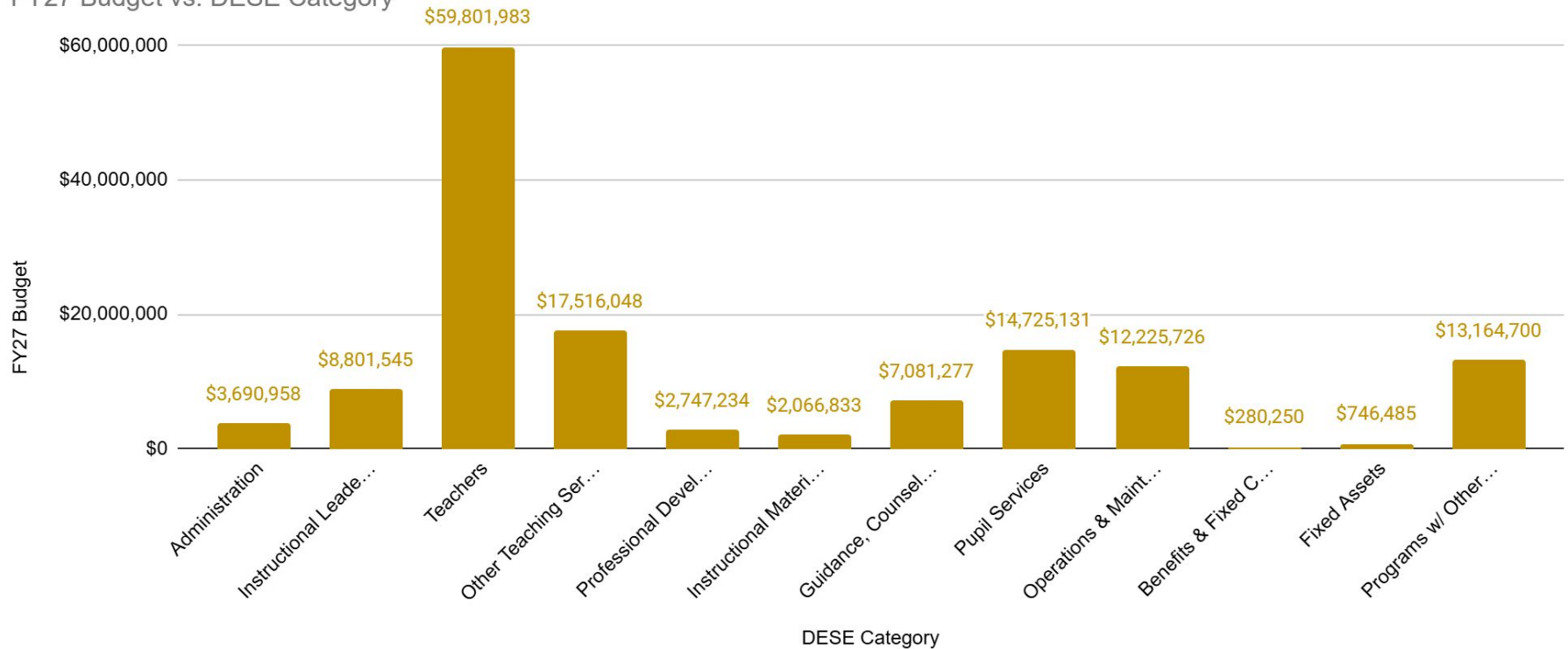
- The District and School Committee has consistently taken a long-term approach to budgeting, adjusting to changing conditions over time
 - Building up reserves, COVID, Student Opportunity Act
- Prior decisions—staffing, program investments, and use of one-time funds—were made with future constraints in mind
- As conditions shift (enrollment, student needs, cost drivers), the district is adapting in real time.
- The long term budget situation is marathon and we are only part way through.

FY27 Current Position

| Category | FY26 Adopted Budget | FY27 Level Service | FY27 Current Budget |
|--|-------------------------|-------------------------|-------------------------|
| Teachers | \$59,671,853.18 | \$60,456,193.59 | \$59,801,983.00 |
| Other Teaching Services | \$16,215,700.20 | \$17,880,337.74 | \$17,516,048.00 |
| Pupil Services | \$14,207,380.05 | \$14,960,820.59 | \$14,725,131.00 |
| Programs with Other School Districts | \$12,485,469.02 | \$13,164,700.00 | \$13,164,700.00 |
| Operations and Maintenance | \$10,834,353.95 | \$12,136,975.27 | \$12,225,726.00 |
| Instructional Leadership | \$8,849,720.74 | \$9,044,352.32 | \$8,801,545.00 |
| Guidance, Counseling and Testing | \$7,136,640.25 | \$7,237,131.74 | \$7,081,277.00 |
| Administration | \$3,667,086.12 | \$3,904,206.95 | \$3,690,958.00 |
| Professional Development | \$2,684,672.45 | \$2,754,037.49 | \$2,747,234.00 |
| Instructional Materials, Equipment and Technology | \$2,579,609.41 | \$3,145,600.28 | \$2,066,833.00 |
| Acquisition, Improvement and Replacement of Fixed Assets | \$724,280.11 | \$744,599.41 | \$746,485.00 |
| Benefits and Fixed Charges | \$302,518.96 | \$280,250.00 | \$280,250.00 |
| Offsets & Reserves | -\$5,557,624.44 | -\$3,419,113.00 | -\$5,499,552.00 |
| GRAND TOTAL | \$133,801,660.00 | \$142,290,092.38 | \$137,348,618.00 |

FY27 Current Position

FY27 Budget vs. DESE Category



Level Service to Current Position:

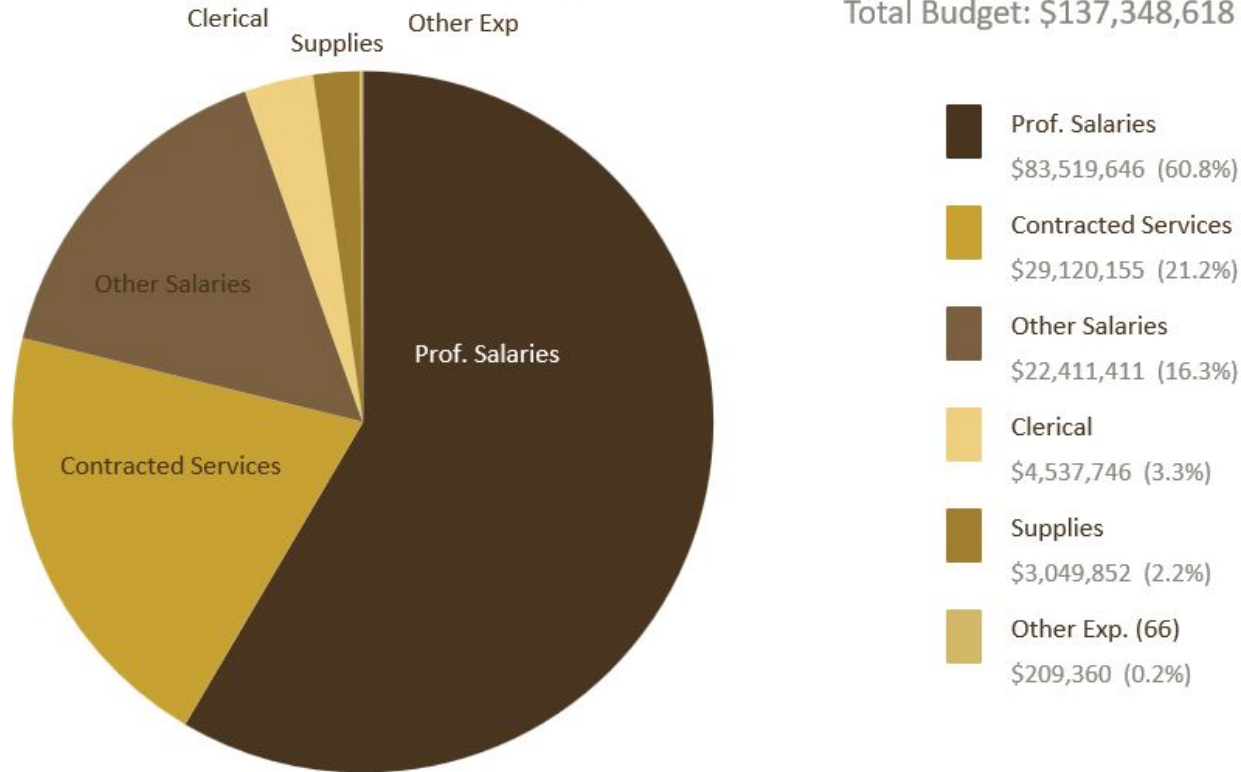
- High School staffing is being realigned through attrition to enrollment after a prior expansion
- Special education resources are being shifted to match evolving student needs
- Reduced staffing in the Business Office due to skill sets of current team
- Adjusted a position in Curriculum to better align with evolving budgetary constraints
- Reductions and reallocations are targeted and not across-the-board

Level Service to Current Position:

- The district is using available tools—grants, revolving funds, offsets—strategically, not exhaustively.
- Decisions are made with an understanding that these tools must also support future budgets
- Avoiding short-term fixes that would create larger structural gaps in FY 28 and beyond
- Each action is evaluated not just on today's impact, but on its multi-year sustainability.

FY27 Budget by Expenditure Category

Total Budget: \$137,348,618



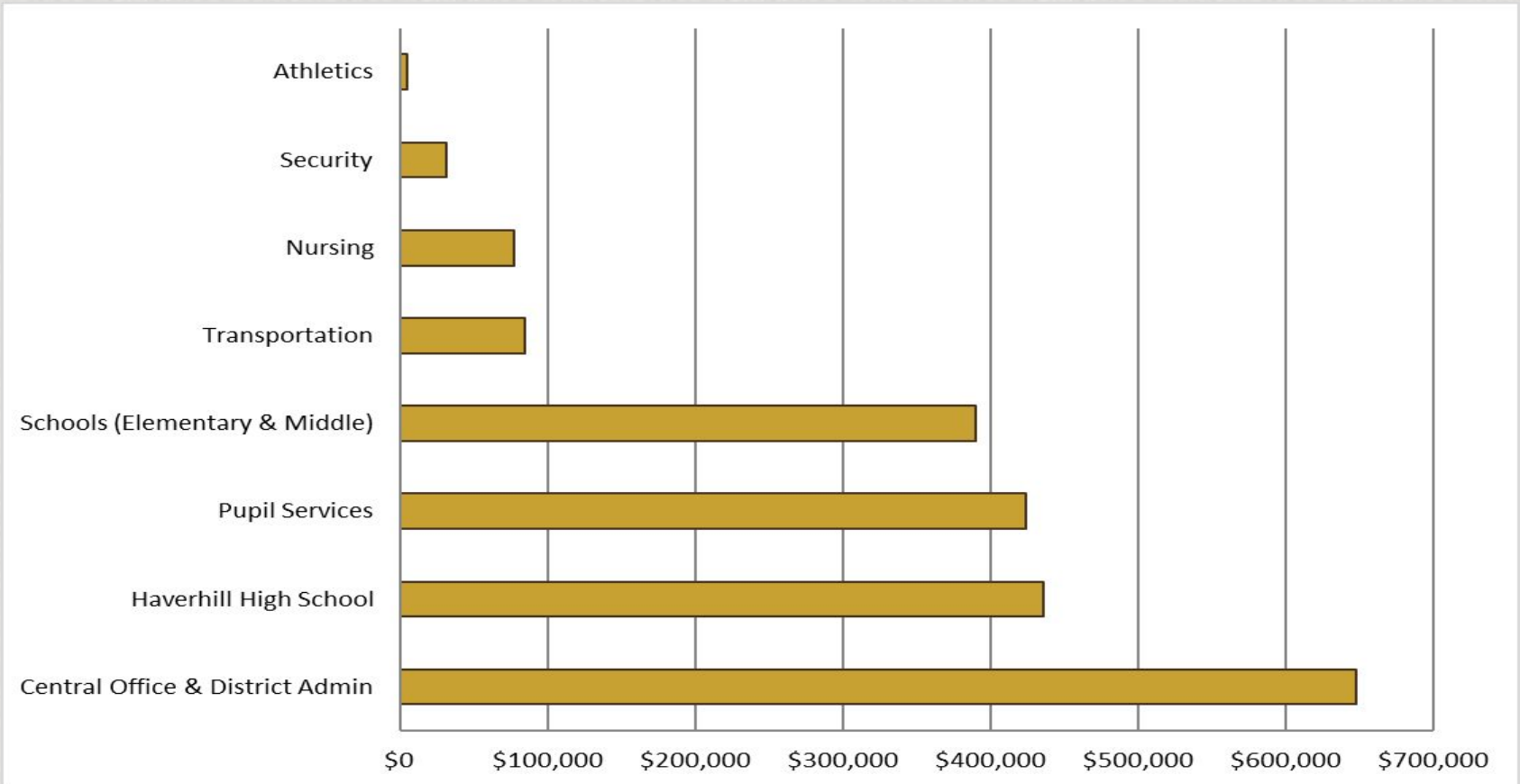
The Chart above illustrates that the district has very little flexibility in the way of discretionary cost.

OOD Tuitions - \$13.1 million.

Transportation Contracts - \$6.8 million

Operations & Maintenance - \$6.5 million

*Does not include Offset



The chart above illustrates the cuts by category. Of the \$2.2 million dollars in cuts - most were made in Central Office, the High School and Pupil Services. The other cuts have been spread across multiple departments and Schools.

FY27 Gap:

- **After all the adjustments it still left the district with a gap.**
- **The district worked through the green, yellow, and red cuts suggested by the Department Heads and Principals.**
- **The district made approximately \$2.2 million dollars worth of cuts that will result in the loss of 16.1 FTE.**
 - **Many of these positions are vacant or filled by employees planning to retire.**
 - **If they were not vacant the District hopes that it can retain most of the employees through attrition in other places.**
- **The district still has a gap of \$350,000.01 to close!**

FY27 Gap:

- **Attached is a menu of options for the School Committee to discuss.**
- **To close the gap we need to come up with a minimum of \$350,000.**
- **Most of these items if not discussed today will need to come up during future budget cycles.**

| SC Cuts | Cost |
|---|---------------------|
| Second ML Teacher | \$75,000.00 |
| Additional Facilities Cuts | \$30,000.00 |
| ESP Library Consentino | \$30,000.00 |
| Loop Program | \$17,000.00 |
| Supervisor Special Education | \$125,000.00 |
| .5 Bookkeeper (ML Vacant) | \$30,799.00 |
| Academic Bowl | \$10,200.00 |
| Reduction in Summer School FY28 | \$187,000.00 |
| Undefined User Fees | \$40,000.00 |
| Teacher at Walnut Square / Grade 3 Pen Lake | \$75,000.00 |
| Gateway Middle School Program | \$150,000.00 |
| Total | \$771,370.00 |

- Summer School adjustments would allow additional cost to be shifted into Title 1.
- User fees could be various items including athletic fees, parking passes, bus passes, etc.
- Facilities cuts would need to come from supplies that are used to fix items as they break.
- The new Consentino will have a librarian due to MSBA rules.

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Looking Forward:

- **FY28 will be a similar situation if funding increases stay at the same rate. Rates of reduced staff will be roughly the same magnitude.**
- **If funding at the State level does not change for FY29 the decisions made that year will be much more impactful and significant.**
- **Collective Bargaining is still ongoing. If increases exceed what is budgeted the district will need to consider further reductions, including staffing and programming most likely mid year.**

Looking Forward:

- **May 6th - Budget Finance Subcommittee**
- **May 7th - Budget Workshop**
- **May 14th - Final Budget Presented to School Committee**
- **May 15th - Budget Posted to the Website**
- **May 28th - School Committee Budget Public Hearing**