

Shrewsbury Public Schools FY24 Budget Recommendation

25 March 2023

Lynsey M. Heffernan, School Committee Chair and Finance Subcommittee

Sandy Fryc, School Committee Finance Subcommittee

Joseph M. Sawyer, Superintendent

Patrick C. Collins, Asst. Superintendent for Finance & Operations

Topics

- Five-Year Strategic Planning Update
- FY24 Budget Status
- PreK-12 Space and Enrollment Study

Strategic Planning Process

- The district engaged a consultant, *Focused Schools*, to facilitate and support our strategic planning process.
- The new plan will cover the 2023-2027 period of time, and will set our core Commitments, Strategic Priorities and Success Metrics.
- Many opportunities have been made for stakeholder input from interviews, surveys, focus groups, target meetings and a Thought Exchange.
- School Committee vote on a plan is targeted for late April 2023.

FY24 Budget Topics

- Override Agreement & Budget Limitations
- Budget Overview
- Cost Projections to Sustain Current Programs
 - Staffing
 - Transportation Services
 - Out of District Tuitions
 - Supplies, Materials, Equipment, Contract Services
- Enrollment Projections
 - In District, Vocational High School, Special Education Out of District
- Recommended New Investments

Override Agreement & Budget Limitations

- The Override Agreement limits the School Budget increase to a maximum of 4.25% to 4.75%.
 - Agreement calls for at least a 4.25% increase.
 - Potential for it to go up to 4.75% on an annual basis, if sufficient additional revenue is projected by the Town Manager.
- The Agreement covers, at a minimum, four fiscal years: FY22-FY25.

Overview

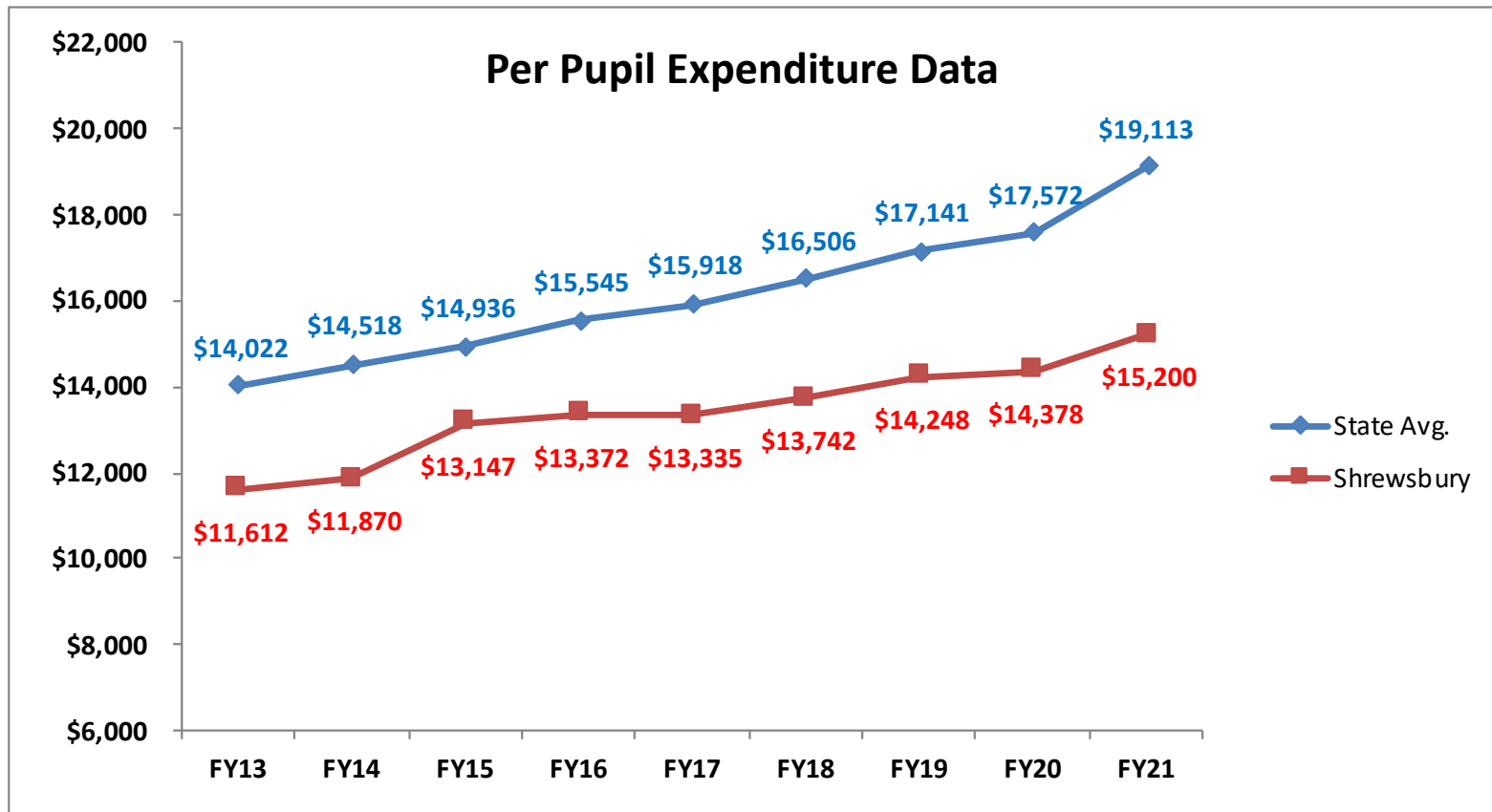
Consensus Recommendation

Town Manager	2/14/23	\$83,086,622
Superintendent	2/15/23	\$83,086,622
Budget Gap		\$0

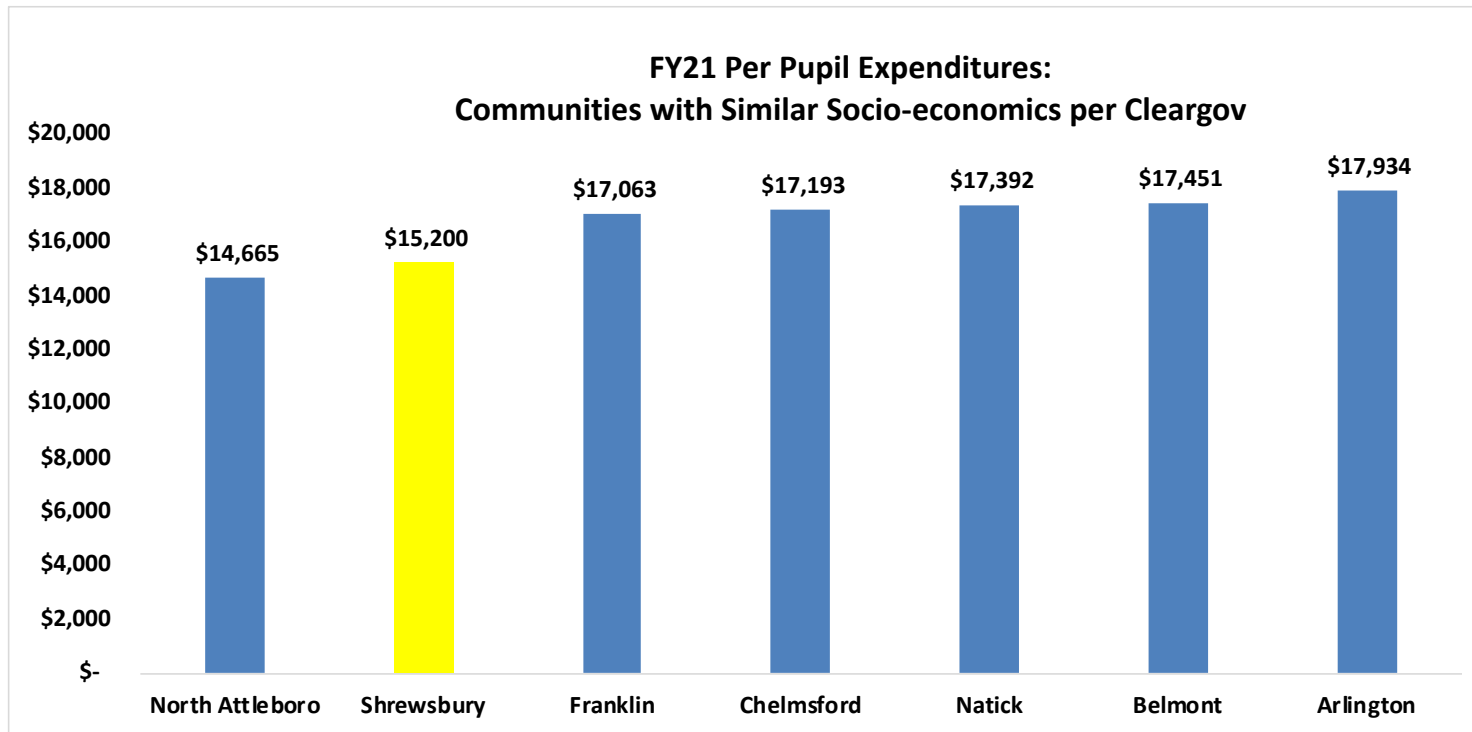
FY23 v. FY24

FY23	\$79,318,971
FY24	\$83,086,622
Increase	\$3,767,651
Percent Increase	4.75%

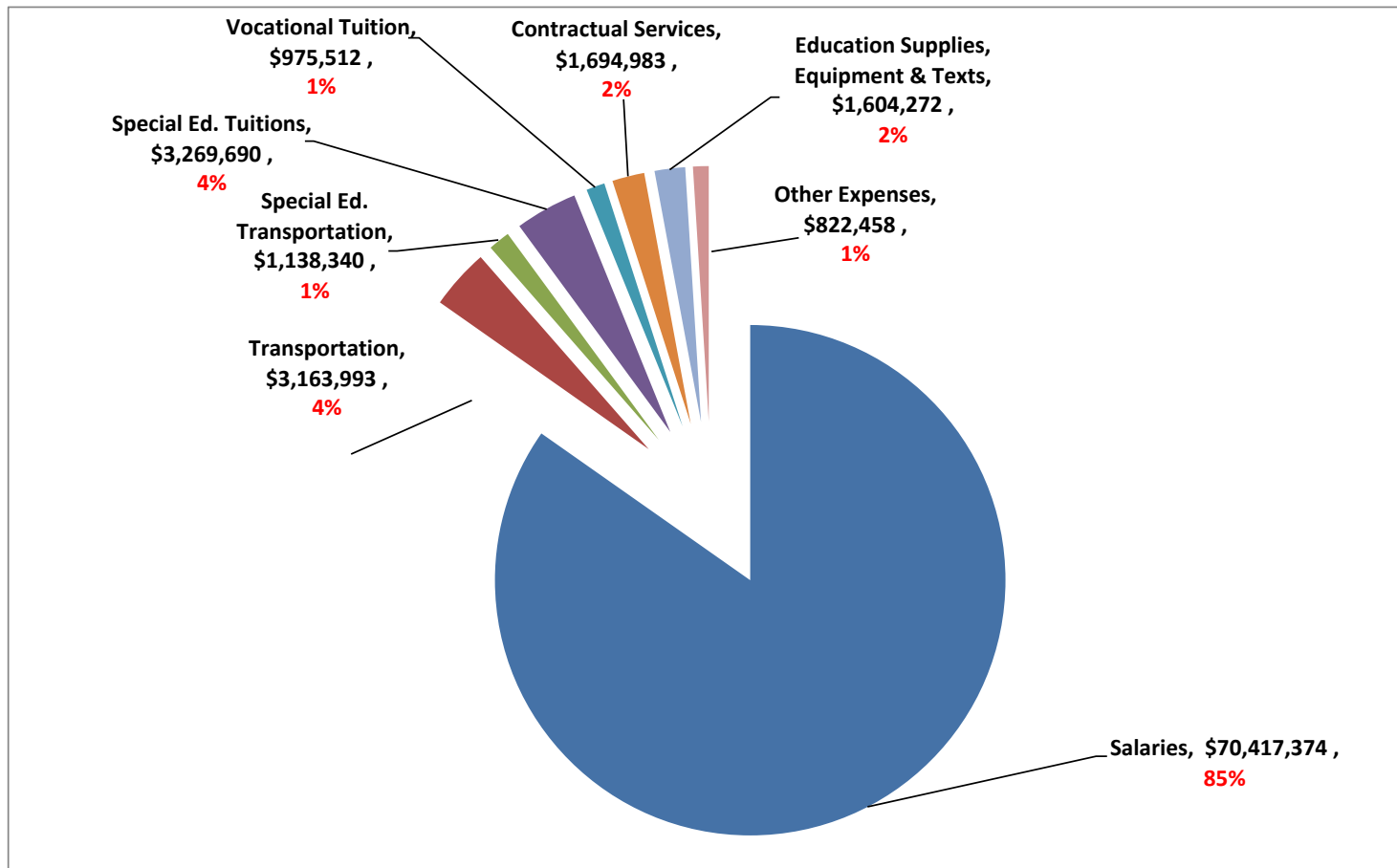
Per Pupil Expenditure Data



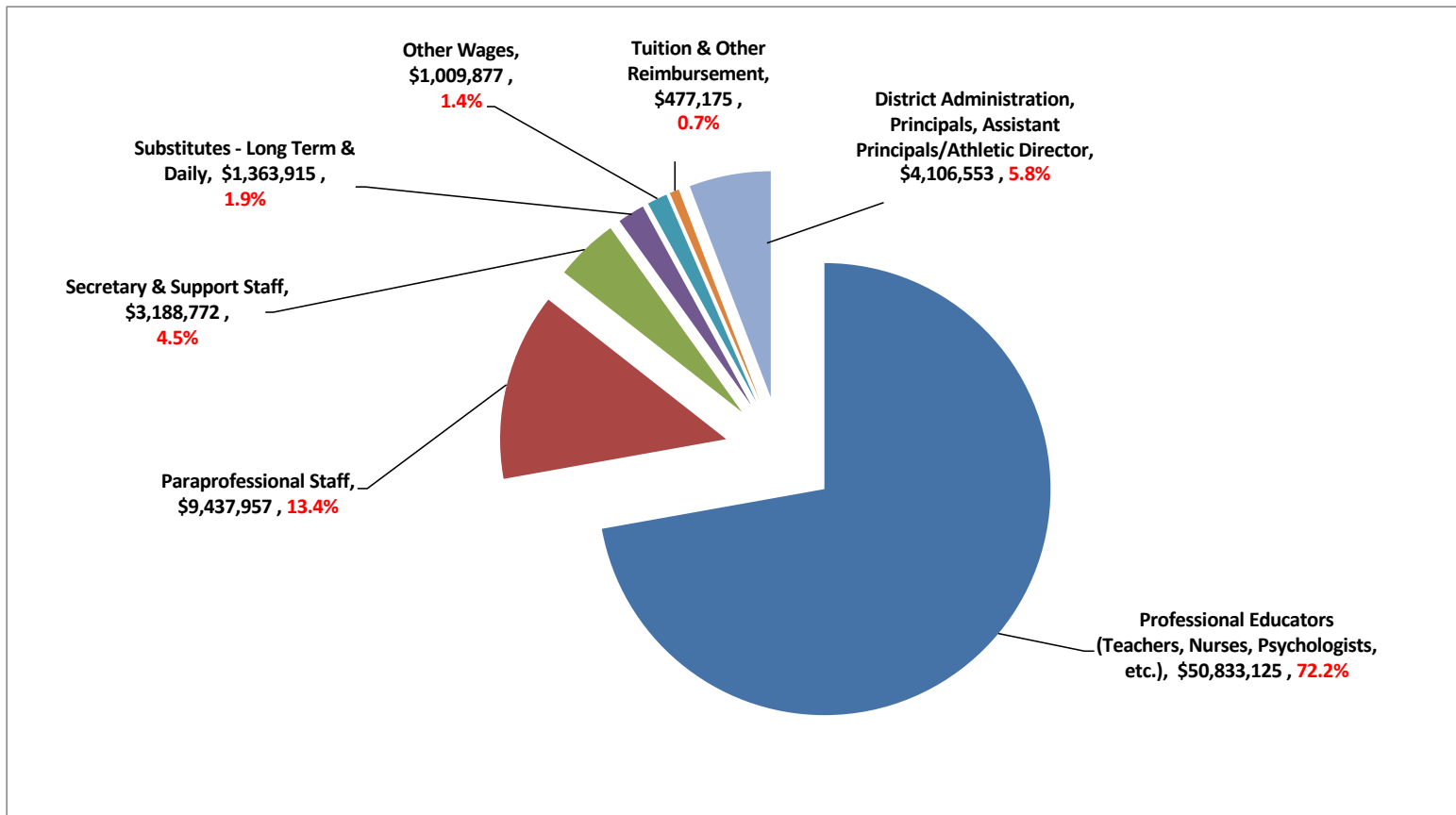
Per Pupil Expenditure Data



Allocation of Resources



Allocation of Salaries and Wages



Cost Projections to Sustain Current Programs

Major Category	FY23	FY24	Difference	Percent of the Total Increase
Salaries [all Category A]	\$ 66,254,894	\$ 70,308,881	\$ 4,053,987	6.1%
Transportation [all Category B]	\$ 4,193,120	\$ 4,302,333	\$ 109,213	2.6%
Tuitions [all Category C]	\$ 5,012,774	\$ 4,408,695	\$ (604,079)	-12.1%
Supplies, Materials, Contract Services, Equipment [all Category D]	\$ 3,858,182	\$ 4,066,713	\$ 208,531	5.4%
Total	\$ 79,318,970	\$ 83,086,622	\$ 3,767,652	4.75%

FY24 Cost of Living Allowances [COLA] Increases by Labor Group

- Unit A [teachers, nurses, counselors]
 - 2.25% salary scale increase plus a step increase for those eligible
- Unit B [assistant principals and athletic director]
 - 3.0% salary scale increase plus a step increase for those eligible
- Unit D [paraprofessionals, media aides, ABA technicians, tutors]
 - Wage increase on wage scales of 2.5%-2.75% plus a step increase for those eligible
 - Add a new wage step that is 2% higher than the highest step for Category NC-3 and NC-6 [classroom and special education paraprofessionals]
- Non-union: To be determined

FY24 Transportation

Category	Description	FY23 Amount	FY24 Amount	Difference	Percent Change
BI	Pupil Transport Reg Day	\$ 2,590,342	\$ 2,706,907	\$ 116,565	4.5%
BI	McKenny Vento - Trans	\$ 77,250	\$ 81,885	\$ 4,635	6.0%
BI	Foster Care Transportation	\$ 15,000	\$ 16,000	\$ 1,000	6.7%
BI	Vocational Transportation	\$ 246,292	\$ 174,100	\$ (72,192)	-29.3%
BI	Student Activity Transport	\$ 5,500	\$ 5,500	\$ -	0.0%
BI	StudAct Transport HS	\$ 12,020	\$ 12,741	\$ 721	6.0%
BI	Athletic Transportation HS	\$ 154,500	\$ 166,860	\$ 12,360	8.0%
B2	Summer SPED Transportation	\$ 81,955	\$ 88,511	\$ 6,556	8.0%
B2	In-District SPED Transport Svcs	\$ 565,261	\$ 604,829	\$ 39,568	7.0%
B2	Bus Monitor	\$ 445,000	\$ 445,000	\$ -	0.0%
		\$ 4,193,120	\$ 4,302,334	\$ 109,214	2.6%

FY24 Out of District Tuitions: Special Education

Category	Description	FY23 Amount	FY24 Amount	Difference	Percent Change
CI	Tuition NonPublic Summer	\$ 45,000	\$ 45,000	\$ -	0.0%
CI	Tuition Out of District Schools	\$ 3,493,248	\$ 3,224,690	\$ (268,558)	-7.69%
		\$ 3,538,248	\$ 3,269,690	\$ (268,558)	-7.59%

Special Education Tuition Budget Update

	FY23	FY24 Initial	Difference	Percent Difference
Total Tuitions	\$ 6,485,088	\$ 7,208,035	\$ 722,947	11.1%
Circuit Breaker Funding Use [aka "Offset"]	\$ (2,946,840)	\$ (3,938,345)	\$ (991,505)	33.6%
Net Amount in Town Appropriation Budget	\$ 3,538,248	\$ 3,269,690	\$ (268,558)	-7.6%

Total tuition costs are up 11.1%. But the Net Amount in the Town-Appropriated Budget is going down by 7.6% due to using a greater amount of Circuit Breaker funding.

State approved tuition rates expected to increase by 14.1% for all private out of district special education schools.

Circuit Breaker Funding Recap and Projection

6.30.22 Balance [end of FY22]	\$ 3,142,421	
FY23 Budgeted Use of Funds	\$ (2,946,840)	
FY23 Confirmed Reimbursement Amount	\$ 3,405,843	
Year End Projection for 6.30.23	\$ 3,601,424	
Maximum Allowable Cap 6.30.23	\$ 3,405,843	
Must Use Add'l Amount in FY23	\$ (195,581)	
Revised Projected Year End Balance 6.30.23 [FY23]	\$ 3,405,843	
FY24 Prelim. Budgeted Use of Funds	\$ (3,938,345)	
FY24 Projected Reim. Amount	\$ 3,500,000	
FY24 Projected Year End Amount 6.30.24 [FY24]	\$ 2,967,498	84.8% of projected maximum amount
Using a greater amount of Circuit Breaker funds than we take in decreases the projected year-end balances from FY23 to FY24.		

Circuit Breaker Guideline Recommendation

	Circuit Breaker [CB] Year End Balance Models				Circuit Breaker Balance as a Percent of Operating Budget					
	100%	75%	50%	25%	Est. Budget Amount	Estimated Oper. Budget Increase	100% CB as Percent of Operating Budget	75% CB as Percent of Operating Budget	50% CB as Percent of Operating Budget	25% CB as Percent of Operating Budget
FY24 est.	\$ 3,500,000	\$ 2,625,000	\$ 1,750,000	\$ 875,000	\$ 83,086,622	4.75%	4.2%	3.2%	2.1%	1.1%
FY25 est.	\$ 3,570,000	\$ 2,677,500	\$ 1,785,000	\$ 892,500	\$ 86,617,803	4.25%	4.1%	3.1%	2.1%	1.0%
FY26 est.	\$ 3,641,400	\$ 2,731,050	\$ 1,820,700	\$ 910,350	\$ 90,299,060	4.25%	4.0%	3.0%	2.0%	1.0%
FY27 est.	\$ 3,714,228	\$ 2,785,671	\$ 1,857,114	\$ 928,557	\$ 94,136,770	4.25%	3.9%	3.0%	2.0%	1.0%
	Superior	Strong	Adequate	Inadequate			Superior	Strong	Adequate	Inadequate

Vocational/Technical Education Update

- The Assabet Valley Regional School Committee has decided not to allow any new members despite the joint letter of request from the Select Board and School Committee sent last fall. They notified us in February.
- The district is exploring a program sponsored by MA DESE called ***Innovation Pathways*** and plans to apply to MA DESE for a planning grant this fall.
- Dr. Sawyer has included the addition of an additional SHS science teacher for FY24 that will help expand our ***Project Lead the Way*** course offerings in technical subject matter. [i.e. *Intro. To Engineering Principles, Robotics/Electronics, Exploring Technology*]

Vocational School Tuitions

- The following applications have been made by grade 8 students:
 - 14 to Assabet Valley Regional Technical High School
 - 1 to multiple vocational schools including Assabet
 - 1 to Norfolk Agricultural School
- The current FY24 budget assumes 4 student acceptances for grade 9 students at Assabet which is “optimistic”.
- We continue to carry the tuitions for our upper-classmen who entered Assabet before the change in the Admission policy.
- Budgeting for 51 students
 - Grade 9=4, Grade 10=2, Grade 11=15, Grade 12=30

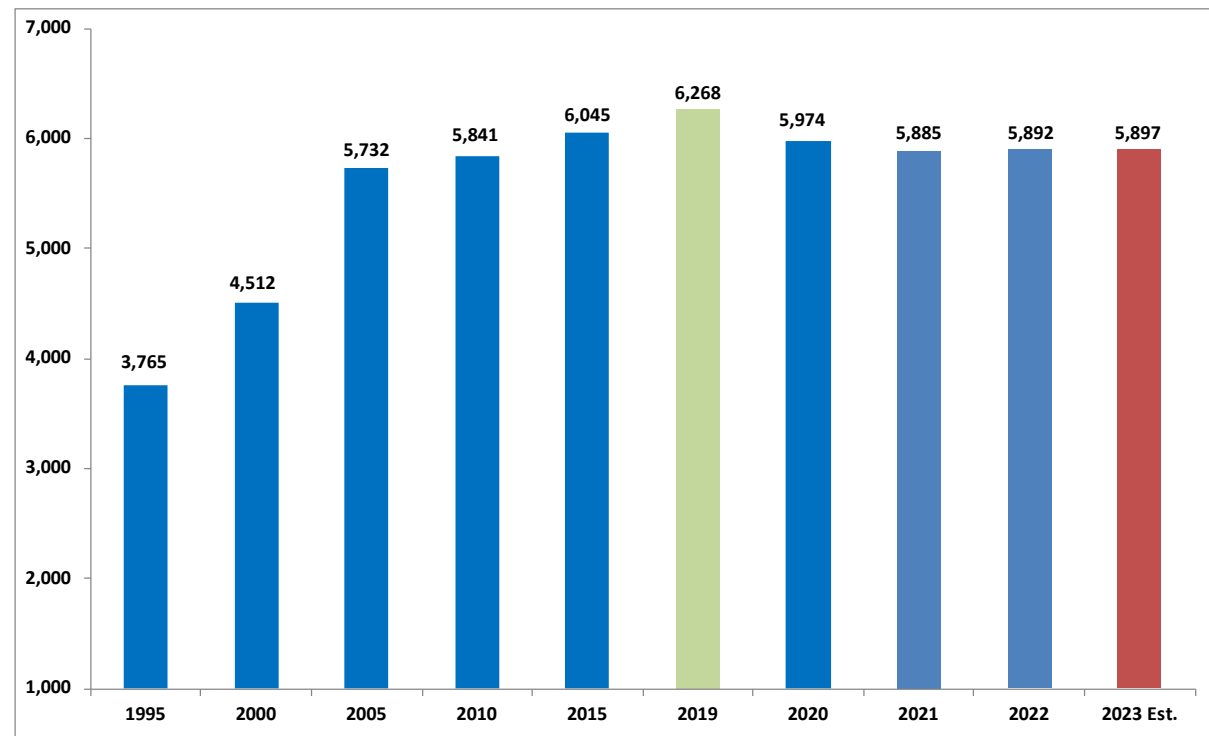
FY24 Out of District Tuitions: Vocational/Technical High School

Category	Description	FY23 Amount	FY24 Amount	Difference	Percent Change
C2	Occupational Day High School	\$ 1,463,526	\$ 963,510	\$ (500,016)	-34%
C2	Tuition Recovery High School	\$ 11,000	\$ 12,000	\$ 1,000	9%
		\$ 1,474,526	\$ 975,510	\$ (499,016)	-33.8%

FY24 Materials, Equipment, Contract Services, & All Other [All Category D]

- Line item detail in budget book displays changes:
 - Most accounts increased to 4.25% to account for price inflation
 - Some accounts increased or decreased based on trend or new information

Enrollment Projections



Overall PreK-12 enrollment is projected to increase by 5 students.

Paraprofessional Staff Recap

	FY23	FY24	Difference	Notes
Special Education paraprofessionals	213.45	237.70	24.25	Six existing students had IEP changes requiring paraprofessional support. The net balance of 18 is a combination of move-ins/move-outs and referrals from preschool Early Intervention.
Regular education paraprofessionals	65.45	66.90	1.45	Increase in Literacy Tutor support [Title 1 and ESSER-3 funding]
Totals	278.9	304.6	25.7	

Like all other areas of the budget, we will continue to update this up until the final budget setting vote in April.

Substitute Staffing Costs

	FY23 Budget	FY24 Budget	Difference	Percent Increase
Daily Substitutes	\$ 394,500	\$ 763,894	\$ 369,394	93.6%
Long-term Substitutes	\$ 525,000	\$ 600,021	\$ 75,021	14.3%
Total	\$ 919,500	\$ 1,363,915	\$ 444,415	48.3%

- Why have substitute rates grown at such a high rate?
 - In the past five year we have grown from ~500 members of Unit A to ~525
 - More staff have used their sick time, due to COVID, RSV, flu, etc. (+190% in five years, and 48% increase from FY22)
 - Due to staffing challenges, School Committee voted in pay increases for daily substitutes and instituted building substitutes in the middle of FY22.
 - Personal use days are also up by 25%
 - The budget projection is our best estimate given this volatile line item over the last four fiscal years.

Additional Positions Added - Current Year

- Added after FY23 budget set and included in FY24:
 - 0.5 Elementary Special Education teacher- due to need to fulfill IEPs
 - 0.4 World language teacher- hired this year to teach *Heritage Portuguese*
 - 1.0 Spring St. English Language Learner teacher- recently hired due to increased need for services
 - 1.1 School nurses-already increased FTE but state grant funding expires at end of FY23

Student Transition Program Regulations 18-22 Year Olds

- Under federal and state laws, students with disabilities who receive special education services are entitled to receive appropriate transition services to support movement beyond high school.
- Students with the most significant disabilities gain access to appropriate adult services needed under MA General Law Chapter 688.
- The federal Individuals with Disabilities Education Act [IDEA] and MA General Law Chapter 71B specify “Least Restrictive” as requiring placement with most typical peer opportunities and settings.

Past/Current Offering for Transition Services

- Sending our students to the Assabet Valley Collaborative (Marlboro, MA) “Evolution Program” and paying an annual tuition for each student along with their transportation costs.
- With a growing population, we have a critical mass sufficient to “in-source” these services and do so in a cost effective manner.

RISE Program Goals

1. Keep the youth in our community and in our district
2. Enhance program opportunities
3. Provide programming for increased population in a more cost-effective manner

Included in Initial FY24 Overall Budget Plan

- RISE Program positions - grant funded [SPED IDEA/240 Grant]:
 - 2.0 RISE special education teachers
 - 1.0 RISE related services [speech, OT, counseling]
 - 1.0 RISE Retail store manager
 - 8.0 RISE Job coaches/paraprofessionals

Expanding our special education transition program for 18-22 year old students to be located in the town center.

Included in Initial FY24 Overall Budget Plan

- 1.0 High School Science/Engineering teacher – Project Lead the Way Courses
 - Redirecting vocational tuition to provide more hands on courses
- 1.0 Reading specialist at Sherwood Middle
 - Additional support for student literacy in grades 5 and 6
- -1.0 Net change in elementary classroom teachers
 - One fewer section each at Floral Street, Paton, and Spring Street
 - Net two additional sections at Beal; Coolidge no change
 - Two retirements, no staff reductions necessary

Tuition & Fees

- On March 15th the School Committee voted to:
 - *Keep the following fees/tuition at their current levels*
 - *Bus fee- \$320/year*
 - *Athletic Fees- High School is \$325/sport: Oak Middle School is \$100/sport*
 - *Preschool tuition-rates vary depending on number of sessions [3 half days/week=\$2,910/yr.]*
 - *Increase fees for these self-funding programs*
 - *Extended School Care- Increase rates by 13.5%. Fee varies depending on number of sessions.*
 - *Instrumental music lessons [1:1 lessons]- \$37/30 minute session, \$55.50/45 min. session, \$74/60 minute session*

FY24 Budget Strategy Recap

- Because our projected FY24 costs exceed the 4.75% maximum increase, we plan to use a portion of available Circuit Breaker funding to decrease our special education tuition appropriations budget and bring the overall budget back into balance to match the maximum budget cap [4.75%].
- Alternatively, budget reductions from our “carry-forward” budget would have to be made.
- This plan maintains a very strong Circuit Breaker reserve fund to protect the district against unexpected or extraordinary expenses.

Summary Comments

1. Budget Stability and Predictability in a Post-Override Environment
2. Moving Forward To Address the Impacts of the Pandemic
3. Addressing the Student Mental Health Crisis
4. A Commitment to Maintaining Desirable Class Sizes
5. Strengthening Our Capacity to Achieve our Vision and Goals

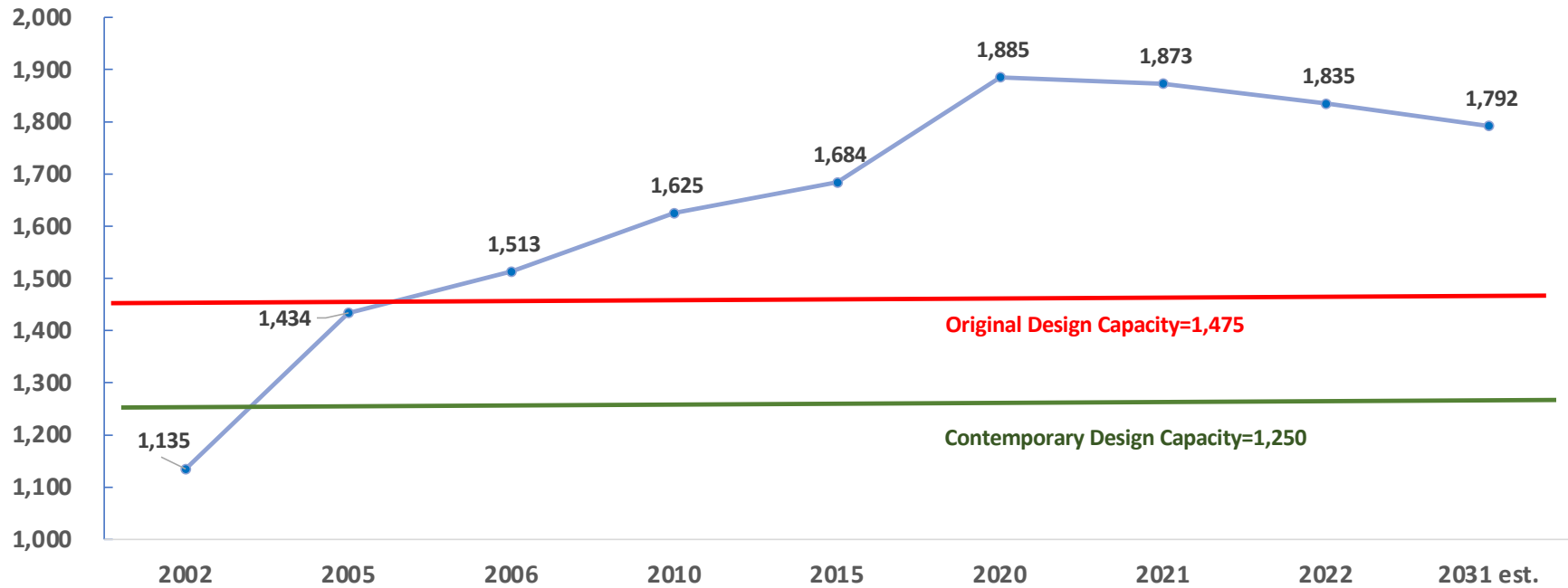
Budget Calendar Topics: Past & Future

- 2/14 Town Manager releases his FY24 Budget: Fiscal Projection#1
- 2/15 Superintendent Initial Budget Recommendation
- 3/1 Fee report/recommendation, Curriculum, Instruction & IT Budgets
- 3/15 Special Education Budget, RISE Program, Vote on fees
- **3/25 School Committee reviews budget with Finance Committee**
- 3/29 Clinical and mental health resources report, school nursing report, FY24 Budget Public Hearing
- 4/5 Holding date for potential Budget Workshop
- 4/12 Superintendent final budget recommendation, Vote final budget
- 5/15 Annual Town Meeting

PreK-12 Space and Enrollment Study

- Funded as part of the Beal School Feasibility Study
- LPA | A hired in spring 2022 and assessment work was completed late fall 2022.
- This in-depth study identified Shrewsbury High School as the current highest priority due to its status as significantly overcrowded based on the difference between its design capacity and enrollment.

Shrewsbury High School Enrollment History



From the LPA PreK-12 Space Study

- “The academic and technology deficits should be the driver for any future space needs”
- **Core Academic Spaces:** Many classrooms undersized (especially science labs); Classrooms that do comply with guidelines are on the low end of the acceptable square footage range; Quantity is far from meeting need; No academic “Commons”
- **Special Education:** Many classrooms undersized; Classrooms that do comply with the guidelines are on the low end of the acceptable square footage range; Quantity is far from meeting need; Resource rooms are greatest deficiency by far
- **Vocations & Technology:** Some undersized technical classrooms remain; Original ‘shop’ spaces have been reallocated overtime for academic needs

High School: Physical Needs

- The PreK-12 Space study, as a point in time assessment, determined that the High School as designed can serve 1,250 students, though enrollment today is at 1,821 students.
- This school has the greatest enrollment pressure today and is severely overcrowded.
- A renovation and addition of 87,669 square feet would alleviate that pressure.
- Per MSBA guidelines, the High School is deficient in space for “Core Academic Spaces,” “Special Education,” and in “Vocations & Technology” by nearly 86,900 square feet.
- “The academic and technology deficits should be the driver for any future space needs.”
- Additionally, lack of air conditioning limits the building’s use.

High School: Educational Needs

- No room for expanded academic programming, including
 - Electives for existing departments (we have fewer than peer schools in the humanities and we have very limited ability to offer students multiple STEM classes)
 - New academic programming (examples could include more business/ finance / entrepreneurship, computer science, graphic design, engineering, robotics, etc.)
- We have already had to cannibalize spaces to provide space for increased, mandated special education and English language education programming, and this will keep happening if these needs continue to grow
- The building was not designed to have the number of school (guidance) counselor offices for this size population, and does not have sufficient confidential spaces/offices for school adjustment counselors, the BRYT program (for students returning from hospitalizations, etc.); we have had to subdivide spaces in recent years

Statement of Interest Application Period

- The 2023 application window is January 13, 2023 to April 14, 2023.
- SOI submittals are non-binding for both the MSBA and the Town of Shrewsbury.
- This is a “competitive” process with limited annual funding from MSBA. The schools with greatest need are selected.

What Are the Chances of Being Selected?

- In 2022 only 10 of 54 [19%] “Core Program” applicants were accepted.
- Of the 10 selected schools the schools ranged in age from 1927 to 1976
 - 1 Voc./Tech high school
 - 3 high schools
 - 2 middle schools
 - 4 elementary schools

Year	Total Number of SOIs Submitted	Number of Core Program SOIs Submitted	Number of Core Program Invitations	Number of Green Repair or Accelerated Repair Program SOIs Submitted	Number of Green Repair or Accelerated Program Repair Invitations	Number of SCILAB SOIs Submitted	Number of SCILAB Program Invitations
2008	431	425	104	6	6		
2009	237	206	41	31	31		
2010	224	202	19	22	22		
2011	371	184	18	187	149		
2012	280	198	11	69	36	13	11
2013	201	123	17	78	47		
2014	229	110	18	119	51		
2015	158	97	26	61	44		
2016	156	89	17	67	49		
2017	156	83	15	73	36		
2018	130	70	12	60	34		
2019	144	61	11	83	42		
2020	161	71	15	90	25		
2021	118	58	17	60	28		
2022	121	54	10	67	33		

2008: The MSBA launched the annual filing period.

2011: The MSBA opened the annual filing period twice, which included a dedicated opening for interest in the Green Repair Program and the annual opening.

2012: The MSBA's annual filing period captures interest in the newly created Accelerated Repair Program, the 2012 Science Laboratory Initiative and the Core Program.

What Happens if Not Selected?

- We can wait to re-apply in the 2024 application cycle.
- Some communities, after several years of unsuccessful attempts to secure MSBA grant funds, have moved ahead without MSBA financial support and bear 100% of their project cost.
- The Beal School MSBA reimbursement rate was 54.86% of eligible costs.

Next Steps

- On March 15th the School Committee voted affirmatively to support submitting a Statement of Interest.
- We have requested that the Select Board vote on this topic at their March 29th meeting.
- If supported by the Select Board, then completion of the SOI form by April 14, 2023 is required.

**Note, we likely would not learn results of our submittal until December 2023-January 2024 timeframe.*

Questions??