

FY24 Preliminary Budget Estimates

March 16, 2023

Brian E. Allen
Deputy Superintendent,
Chief Operating Officer & Chief Financial Officer

From Here, Anywhere....

Together



WORCESTER
PUBLIC SCHOOLS

Outcomes

The Worcester School Committee will learn about:

- FY24 preliminary revenue estimates from Governor's Budget
- FY24 preliminary cost estimates
- Key assumptions and drivers for revenues and cost assumptions
- FY24 Budget next steps



Superintendent Goals & Deliverables *January 2023-June 2023*

District

Refine and calibrate district-level systems ensuring safety, efficiency, consistency and coherence to positively impact school systems



- Portrait of Graduate Implementation Action Plan
- Multi-Tiered System of Supports Implementation Action Plan
- Student Wellness & Supports Handbook
- Family & Community Engagement Framework

Student

Amplify & strengthen inclusive learning environments for WPS staff, families and scholars



- Protocols & Procedures
- Emergency Response Handbook
- Facilities Safety Recommendations
- Woo-Edu Operating Manual
- Instructional Supervision Guidebook
- WPS Developing Our Own Guidebook

Professional

Participate in the New Superintendent Induction Program (NSIP) to refine skills and knowledge related to DESE expectations of new superintendents



- Entry Plan and Report of Findings
- Strategic Planning Status Updates
- Calendared Meetings with Coach

FY24 Major Budget Themes



Enrollment **Increase**

Enrollment increased by 583 students mostly at the Pre-K and Elementary levels



Inflation Rate **Capped**

Modest foundation inflation rate but capped at 4.5% by state statute



Student Opportunity Act **Phase-In**

Third Year of Six-Year Phase-in of SOA

FY24 funds new positions and programs added this year



ESSER Funds & Hold Harmless **Phase-Out**

- \$13 million SOA Bridge Funds from FY23 move to General Fund
- \$4.1 million from ESSER II "hold harmless" moves to general fund.
- ESSER II ends 9/30/23
- ESSER III ends 9/30/24



New Staffing & Resource Needs

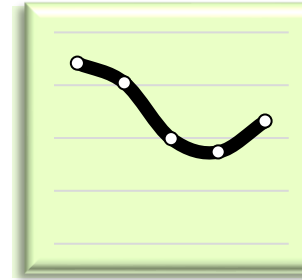
Annual Budget adjustment for new positions and spending needs



Student Enrollment

Student Enrollment is major factor of Foundation Budget calculation for a school district.

WORCESTER PUBLIC SCHOOLS



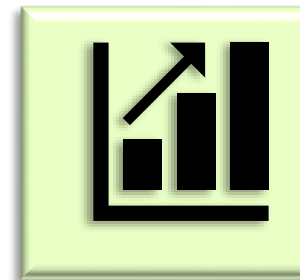
+583 students from
last year (2.5%)

10/1/21: 23,735
10/1/22: 24,318



-106
(-3.0%)

At Grades 7-8



+243
(+36%)

Pre-K Level

Head Start: 203
All Others: 40



+300
(2.4%)

Grades K-6 level

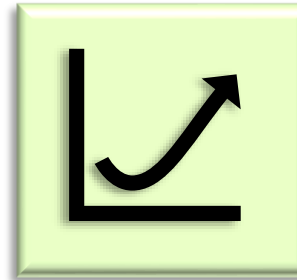
Grades 9-12
+186 (2.5%)



Student Enrollment

Foundation enrollments declined in 194 districts and increased in 162 districts. Boston, Springfield, and Brockton all had enrollment declines.

State Enrollment Trends



+2,206 students from
last year

10/1/22: 913,735
10/1/21: 911,529



-3,636
(-2.5%)

At 7-8 Level



+3,210
(12%)

At Pre-K level



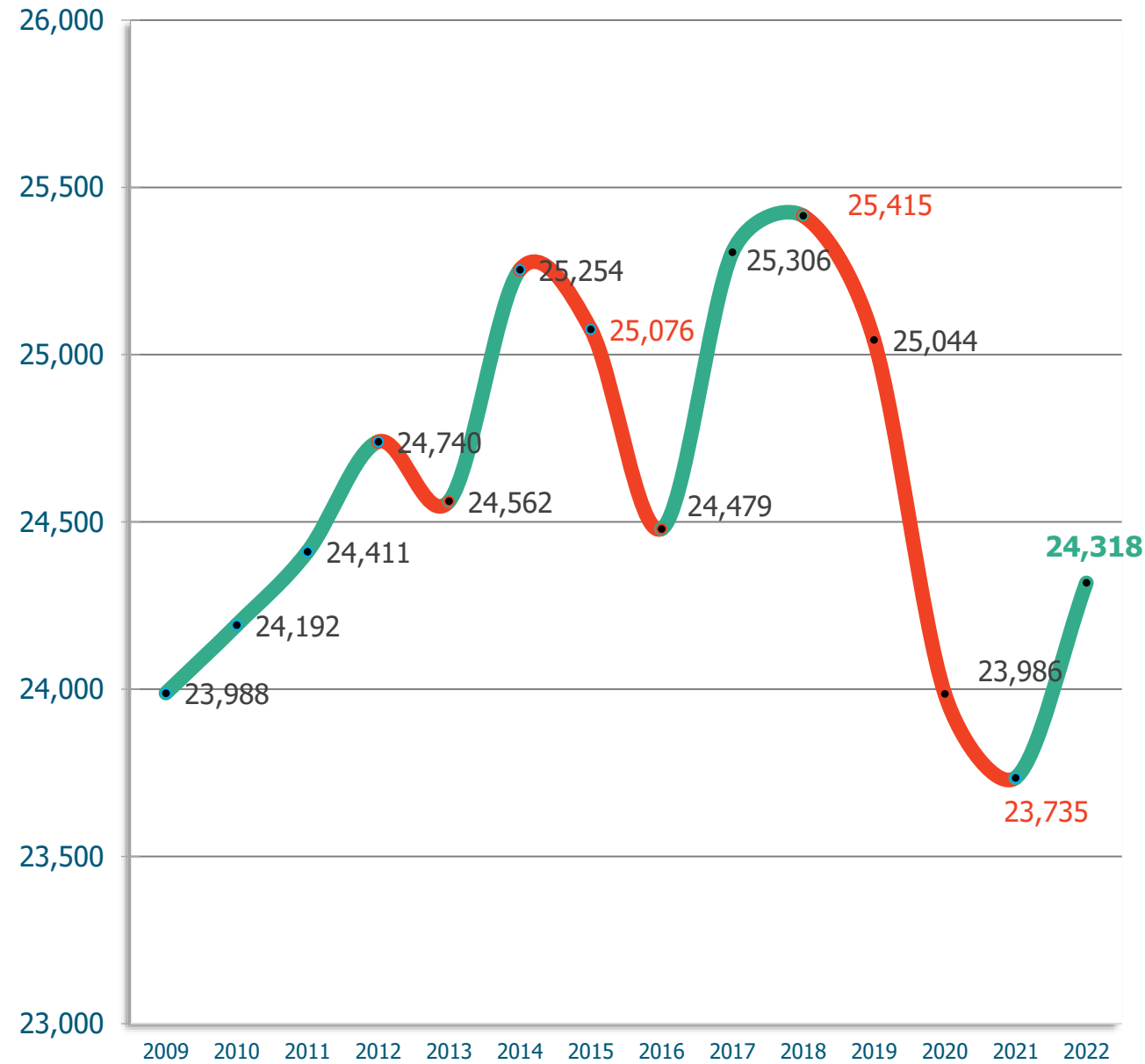
+1,999 K-6
0.4%

+186 Grades 9-12
0.2%



Student Enrollment

Worcester Public Schools
District-Level Enrollment Data



Note: Chart not scaled to zero to show enrollment trend detail



Enrollment Change by Grade Level October 1 Enrollments 2021 and 2022

Level	2021	2022	Change	%
PK-6	12,737	13,037	300	2.4%
Middle School	3,481	3,375	-106	-3.0%
High School	7,313	7,499	186	2.5%
Head Start	<u>204</u>	<u>407</u>	<u>203</u>	<u>100%</u>
TOTAL	23,735	24,318	583	2.5%

Student Enrollment

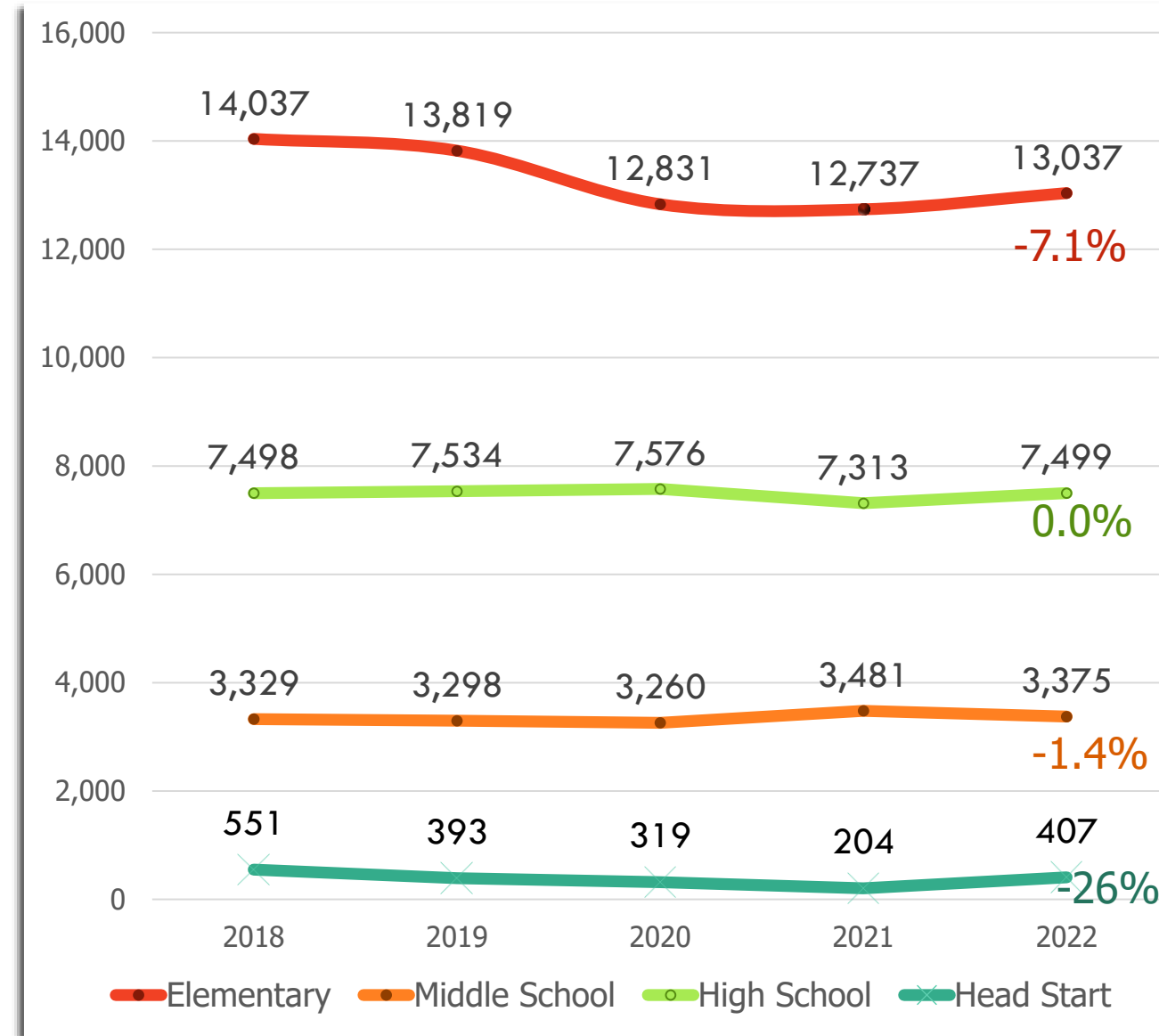
Worcester Public Schools
District-Level Enrollment Data



Student Enrollment

Worcester Public Schools
District-Level Enrollment Data

FIVE YEAR ENROLLMENT TRENDS





Student Enrollment

Worcester Public Schools
School-Level Enrollment Data

School Name	Actual			Current
	19-20	20-21	21-22	22-23
Belmont Street	621	576	545	585
Burncoat St Prep	282	260	254	240
Canterbury St	359	300	295	294
Chandler Elementary	493	453	423	426
Chandler Magnet	513	475	418	402
City View	477	462	451	430
Clark Street	265	239	257	268
Columbus Park Prep	427	383	377	386
Elm Park Community	426	401	398	415
Flagg Street	385	345	339	359
Gates Lane	561	516	515	544
Goddard School	374	356	378	380
Grafton Street	369	377	410	427
Heard Street	263	248	238	246
Jacob Hiatt Magnet	412	383	358	372
La Familia Dual Language	0	0	155	172
Lake View	326	319	307	308
Lincoln Street	229	249	235	242
May Street	313	283	300	295
McGrath Elementary	237	224	204	208
Midland Street	222	210	196	206
Nelson Place	571	532	568	575
Norrback Avenue	563	518	515	507
Quinsigamond	744	696	655	713
Rice Square	477	465	516	458
Roosevelt	697	626	480	566
Tatnuck Magnet	425	397	393	385
Thorndyke Road	354	346	357	363
Union Hill	385	389	383	390
Vernon Hill	532	467	469	474
Wawecus Road	154	127	118	133
West Tatnuck	352	337	340	364
Woodland Academy	601	504	480	487
Worcester Arts Magnet	410	368	360	368
Total Elementary	13,819	12,831	12,687	12,988

Schools with the largest 4-year enrollment change

Grafton Street	15.7%
Lincoln Street	5.7%
West Tatnuck	3.4%
Thorndyke Road	2.5%
Goddard School	1.6%
Union Hill	1.3%
Clark Street	1.1%
Nelson Place	0.7%



Student Enrollment

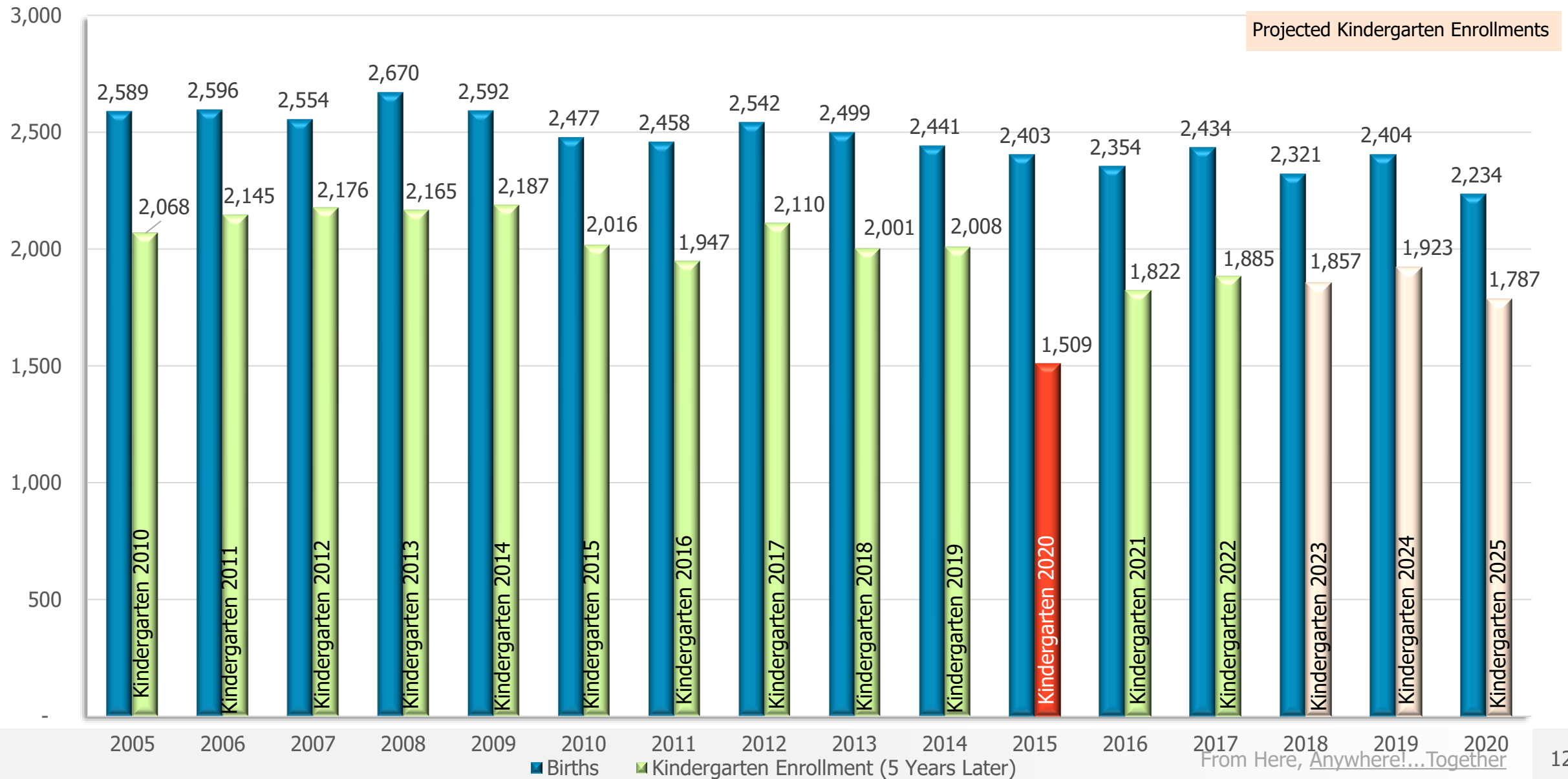
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Total Elementary	13,819	12,831	12,687	12,988

Schools with the largest 4-year enrollment change

Chandler Magnet	-21.6%
Woodland Academy	-19.0%
Roosevelt	-18.8%
Canterbury St	-18.1%
Burncoat St Prep	-14.9%
Wawecus Road	-13.6%
Chandler Elementary	-13.6%
McGrath Elementary	-12.2%
Vernon Hill	-10.9%
Worcester Arts Magnet	-10.2%
Norrback Avenue	-9.9%
City View	-9.9%
Jacob Hiatt Magnet	-9.7%
Columbus Park Prep	-9.6%
Tatnuck Magnet	-9.4%
Midland Street	-7.2%

Birth Rate and Kindergarten Enrollment Analysis





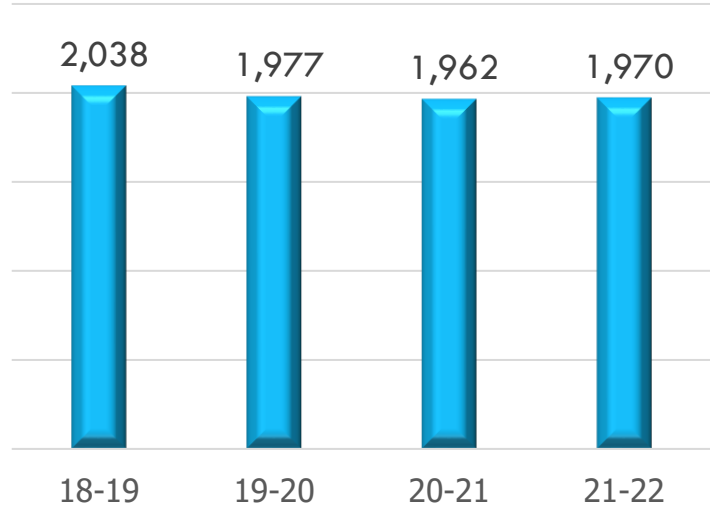
Student Enrollment

Worcester Public Schools
School-Level Enrollment Data

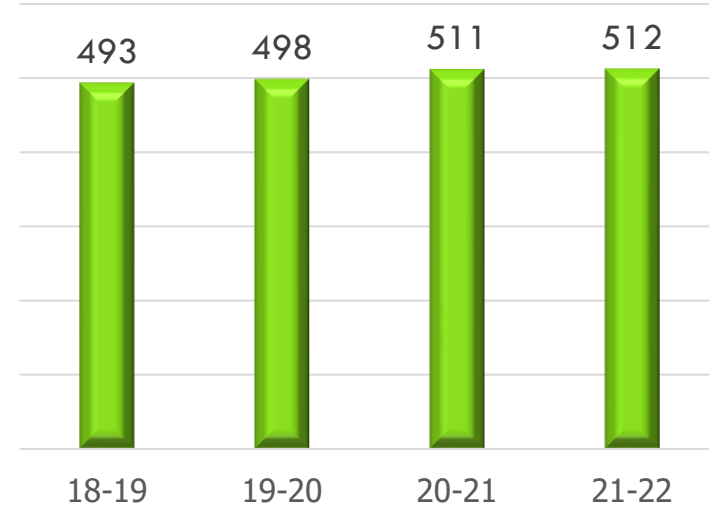
School Name	Actual			Current
	19-20	20-21	21-22	22-23
High Schools				
Burncoat High	1,111	1,153	1,176	1,179
Doherty Memorial High	1,499	1,439	1,331	1,344
North High	1,253	1,299	1,308	1,377
South High	1,379	1,425	1,524	1,666
Worcester Technical High	1,466	1,481	1,476	1,469
Claremont Academy	581	546	527	488
University Park Campus	245	233	233	224
Total High Schools	7,534	7,576	7,575	7,747
Middle Schools				
Burncoat Middle	720	688	686	712
Forest Grove Middle	938	905	932	897
Worc East Middle	728	736	781	740
Sullivan Middle	912	931	870	827
Total Middle School	3,298	3,260	3,269	3,176

Other Enrollment Trends

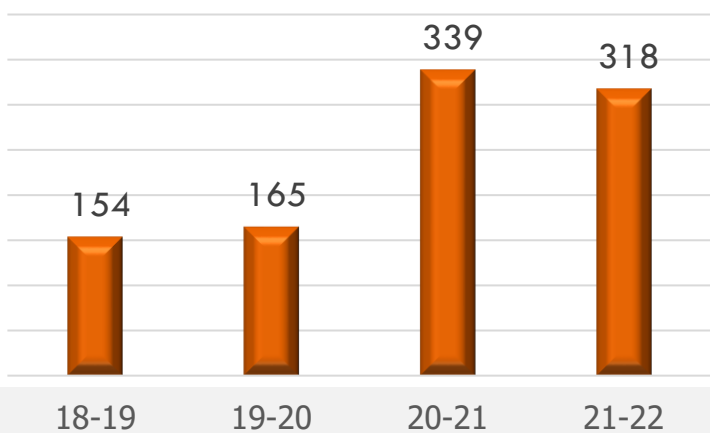
Charter School Enrollment



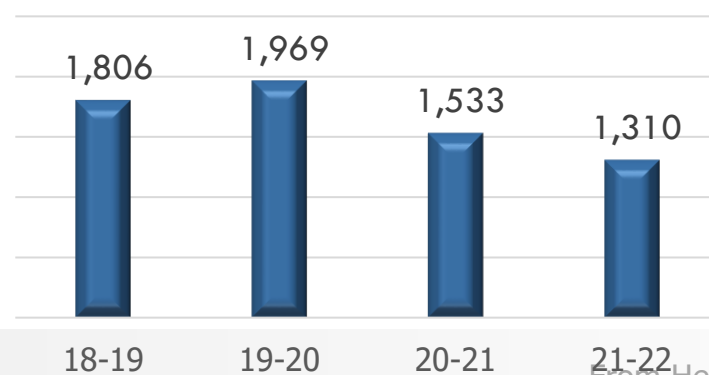
School Choice Enrollment



Home Schooled



Private and Parochial School Enrollment

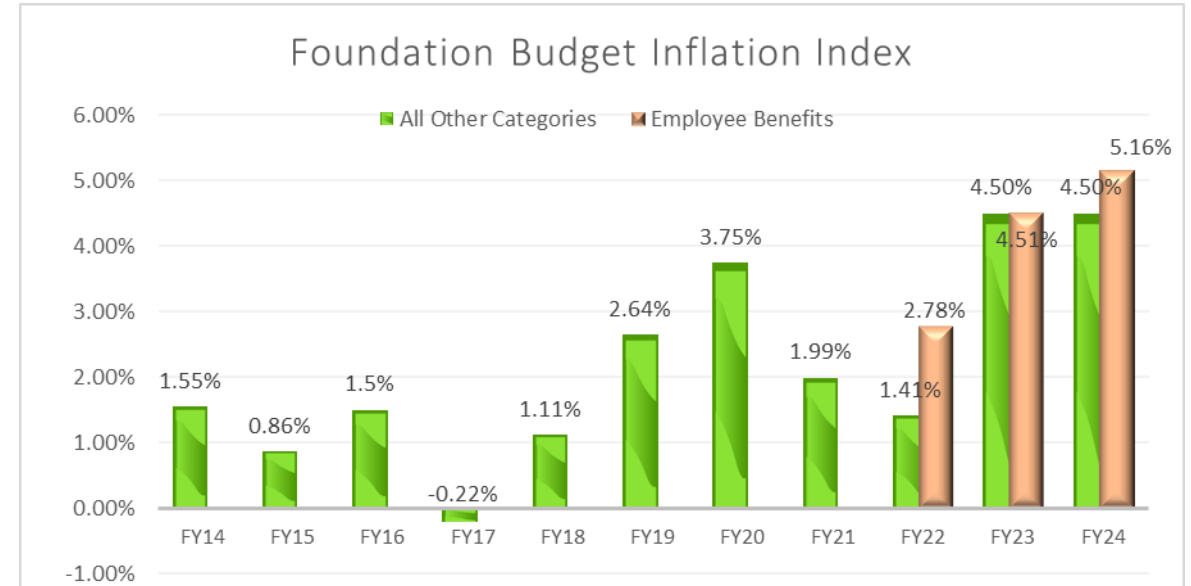


From DESE School
Attending Children Report



Foundation Budget Inflation Rate

Change in the Per Pupil Rate Annually based on Implicit Price Deflators for Gross Domestic Product for State and Local Governments



FY24 Rate: 4.5%

Employee Benefits Inflation Rate: 5.16%

Inflation provides \$19.7 million in funding for FY24

Each 1% change in the inflation rate equals \$4.8 million

Inflation rate capped at 4.5% by Chapter 70 statute.

Actual inflation rate at 9.3%



Foundation Budget Factors

FY24 Budget Impact for the Worcester Public Schools



Enrollment

\$3.7 million



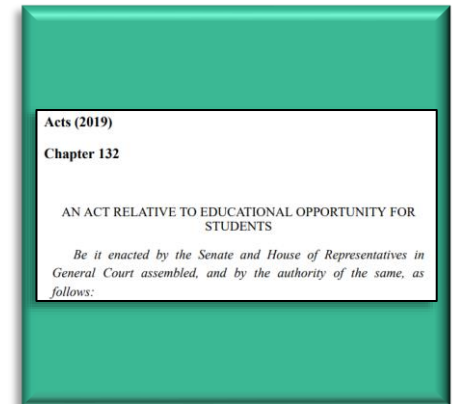
Inflation

\$19.7 million



Low Income and English Learner Enrollment

+7.5 million



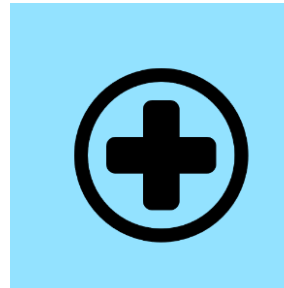
Student Opportunity Act
+\$16.4 million



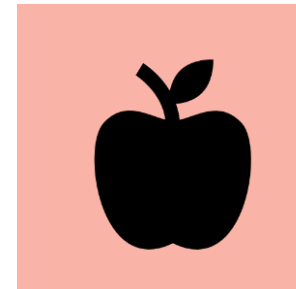
Student Opportunity Act

Chapter 132 of the Acts of 2019

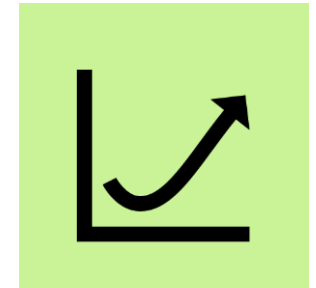
Formula Changes to be phased in over six- year period.



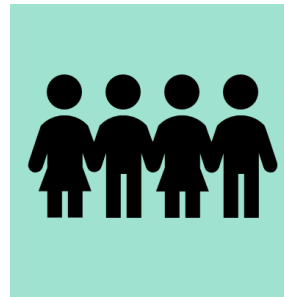
Benefits & Fixed Charges



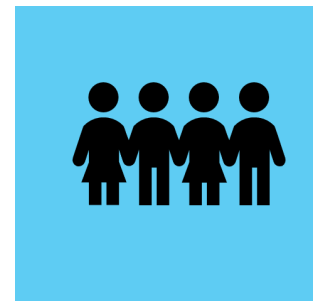
Guidance and Psychological Services



Special Education OOD Tuition Rate



English Learners



Low Income

Change from 10 to 12 tiers, higher rates, and revert back to previous low income calculation of students. (**Worcester is tier 11 of 12**)



Formula Changes

Phase in of assumed in-district special education enrollment to 5% for vocational students and 4% for non-vocational students.



Foundation Budget Factors

FY24 Budget Impact for the Worcester Public Schools

Foundation Budget Change from FY23

Inflation at 4.5%	\$19,722,046
Student Enrollment* _{see below}	<u>\$11,300,854</u>
Total Change	\$31,022,899

Enrollment Change Details

Student Enrollment (387)	\$3,760,249
English Learners (687)	\$1,993,888
Low Income (719)	<u>\$5,546,717</u>
Total Change	\$11,300,854



Foundation Budget Factors

FY23 Budget Impact for the Worcester Public Schools

Foundation Budget Change from FY23

Inflation	\$19,722,046
Student Enrollment	<u>\$11,300,854</u>
Total Change	\$31,022,899
Student Opportunity Act Funding (Year 3 of 6)	<u>\$16,394,800</u>
FY24 Foundation Budget Change	\$47,417,699

Includes resident charter school and school choice students in these calculations



Student Opportunity Act

Progress of Funding Phase-In

Category	FY22 Phase-In Increase	FY23 Phase-In Increase	FY24 Phase-In Increase
Benefits and Fixed Charges	\$3,108,924	\$3,509,562	\$3,887,336
Guidance and Psychological Services	\$407,250	\$691,149	\$720,831
Special Education	\$282,639	\$295,495	\$625,725
English Learners	\$568,740	\$590,398	\$607,906
Low Income Rate	\$8,789,926	\$8,127,734	\$10,553,003
1/6th Phase-in Totals	\$13,157,478	\$13,214,338	\$16,394,800
Low Income Student Count	\$7,580,283	\$1,817,261	\$0
Total	\$20,737,761	\$15,031,599	\$16,394,800

Phase-in Funding Total to date: \$52,164,160



Student Opportunity Act

Progress of Funding Phase-In

Before SOA: 720 Non-Special Education Teacher Gap



Other Key Factors:

- Facilities, Professional Development, and Supplies & Materials have been primarily funded by ESSER
- Health Insurance & Retirement increases exceed inflation
- Special Education actual needs outpace the changes in the SOA formula

FY24 General Fund Budget

Going from Foundation Budget to Expected Operating Budget

	FY23	FY24	Change	%
Chapter 70 State Aid	\$316,240,166	\$357,541,905	\$41,301,739	13.0%
City Contribution	<u>\$133,368,548</u>	<u>\$138,539,441</u>	<u>\$5,170,893</u>	<u>3.9%</u>
Sub-Total	\$449,608,714	\$496,081,346	\$46,472,632	10.3%

The FY23 city contributions includes \$945,067 in one-time "free cash" to the Worcester Public Schools. This funding from the City Manager and City Council was used to address an increase in charter school tuition payment assessments in the final state budget. These funds are not included in the FY24 Budget.

FY24 General Fund Budget

Going from Foundation Budget to Expected Operating Budget

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Sub-Total	\$449,608,714	\$496,081,346	\$46,472,632	10.3%
Less: Charter School Tuition	-\$33,819,645	-\$40,746,354	-\$6,926,709	20.5%
Add: Charter Reimbursement	\$6,149,202	\$11,354,756	\$5,205,554	84.7%
Less: School Choice Tuition	-\$3,912,636	-\$3,779,998	\$132,638	-3.4%
Less: State Special Education Assessment	<u>-\$223,483</u>	<u>-\$216,629</u>	<u>\$6,854</u>	<u>-3.1%</u>
Total Tuition Assessments	<u>-\$31,806,562</u>	<u>-\$33,388,225</u>	<u>-\$1,581,663</u>	<u>5.0%</u>
TOTAL GENERAL FUND BUDGET	\$417,802,152	\$462,693,121	\$44,890,969	10.7%

FY24 Budget Planning

Budget Item	Amount
FY24 General Fund Budget Change	\$44,890,969
Transfer FY23 SOA Bridge Funds from ESSER	-\$13,157,478
Transfer FY22 Enrollment Hold Harmless from ESSER	<u>-\$4,100,000</u>
Total Funds to be transferred from ESSER	-\$17,257,478
FY24 General Fund Baseline Budget Increase	\$27,633,491

FY24 Budget Planning

Budget Item	Amount
FY24 Baseline Budget Increase	\$27,633,491
Estimated Salary Increases	\$20,637,380
Estimated Health Insurance Increase	\$2,588,141
City of Worcester Retirement Assessment	\$2,377,786
Building Utilities Increase	\$2,007,034
Special Education Tuition Increase	\$776,817
All other accounts	\$784,390
TOTAL ESTIMATED COST INCREASES	\$29,171,548



FY24 School-Based Requests

Resource Allocation Process with Schools and Programs



\$22 million
in staffing
increases



Facilities
Improvements



Instructional Supplies
& Technology



Training & Staff
Development

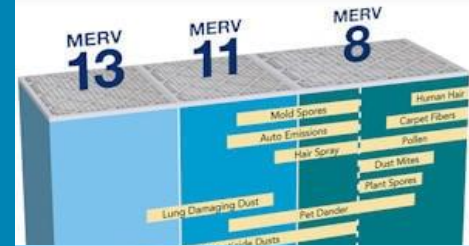
WORCESTER PUBLIC SCHOOLS ESSER SPENDING PLAN



**Enrollment
Sustainability Funds**



**Student Opportunity
Act Bridge Funding**



**Ventilation System
Upgrades**



**Ventilation System
Maintenance**



**Summer and
Afterschool Programs**



**PPE, COVID Testing,
Nurses**



**District-Operated
School Buses**



**Sustain Technology
Spending**

FY23 SOA Bridge from ESSER Detail



70	Building Substitutes
46	Special Education Teachers & Support
20	Elementary & Secondary Teachers
15	Wrap Around Coordinators
12	School Adjustment Counselors
10	English Learner Teachers
1	District Support Staff

Description	FY23 Budget
Translation Services	\$668,450
Health Insurance for ESSER Funded Positions	\$566,845
Fees and Licenses	\$473,418
Translation Services	\$461,374
Gerald Creamer Center	\$300,757
Gerald Creamer Center Evening Programs	\$199,680
Total Spending	\$2,670,524

WORCESTER PUBLIC SCHOOLS ESSER SPENDING PLAN

ESSER Annual Spending Plan by Year (By Grant):

	FY21 Allocation	FY22 Allocation	FY23 Allocation	FY24 Allocation	Total Award
Federal Grant Revenue:					
Education Stabilization Fund - ESSER I	\$2,550,426	\$6,913,180	\$0	\$0	\$9,463,606
Education Stabilization Fund - ESSER II		\$17,407,975	\$17,407,975	\$0	\$34,815,950
Education Stabilization Fund - ESSER III		\$34,133,844	\$12,767,688	\$31,267,688	\$78,169,220
TOTAL ESSER FUNDS	\$2,550,426	\$58,454,999	\$30,175,663	\$31,267,688	\$122,448,776

ESSER Annual Spending Plan by Year (By Targeted Area):

	FY21 Amount	FY22 Amount	FY23 Amount	FY24 Amount	Total Spending
Federal Grant Revenue:					
Student Opportunity Act Bridge Funds	\$0	\$13,157,478	\$13,157,478	\$13,157,478	\$39,472,434
Enrollment Increase Sustainability	\$0	\$9,685,106	\$0	\$0	\$9,685,106
Summer, Afterschool, and PD Programs	\$0	\$8,000,000	\$5,000,000	\$5,000,000	\$18,000,000
Technology Spending	\$1,274,947	\$2,250,000	\$1,500,000	\$1,250,000	\$6,274,947
COVID-19 Maintenance Spending	\$345,028	\$1,250,000	\$1,000,000	\$1,000,000	\$3,595,028
Personal Protective Equipment (PPE)	\$879,442	\$750,000	\$0	\$0	\$1,629,442
Ventilation System & Building Projects	\$0	\$4,063,315	\$8,544,672	\$10,234,856	\$22,842,843
School Bus Purchase	\$0	\$18,500,000	\$0	\$0	\$18,500,000
City of Worcester Indirect Costs	\$51,009	\$799,100	\$973,513	\$625,354	\$2,448,976
TOTAL ESSER FUNDS	\$2,550,426	\$58,454,999	\$30,175,663	\$31,267,688	\$122,448,776



FY24 Legislative Priorities

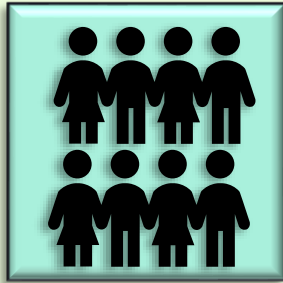
- **Uncap the foundation budget inflation rate** from 4.5%. Actual inflation rate at 9.3%. The difference for Worcester Public Schools would be **\$20.3 million** in additional funding.
- Provide extraordinary relief for out-of-district tuition increases of 14%

Key Areas of Impact

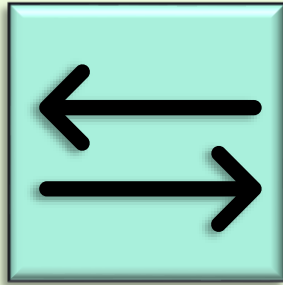
FY24 BUDGET PLANNING



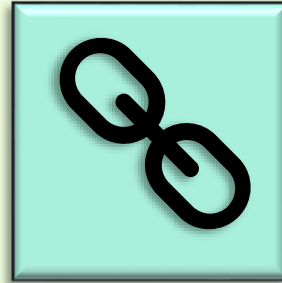
Student Enrollment



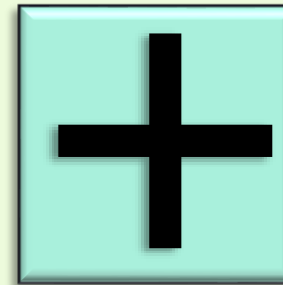
K Enrollment



Enrollment Shift Adjustments



SOA & Strategic Plan



New Positions and Programs Needed



COVID related expenses



ESSER required intervention & acceleration



Health Insurance, Retirement, and Utilities



Space and Program Needs



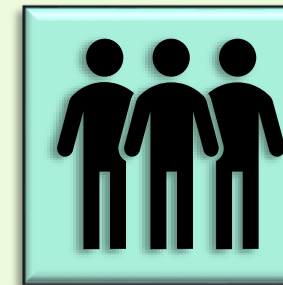
New SIS & City Financial System



School Safety Audit



Facilities Needs



Staffing Shortages & Vacancies



ESSER Phase-Out & SOA Phase-In

FY24 Budget Calendar



February-March
School and District Resource Allocation Meetings to develop budget priorities and recommendations



April 12
House of Representatives Budget Released (*Expected Date*).



May 12
FY24 Budget to be submitted to School Committee and posted on district website



May 17
Senate Budget Released (*Expected Date*)



May 24
School Committee Public Budget Hearing. Also to be scheduled: Joint Meeting with City Council Education Committee, and City Council Budget Hearing



June 1 & 15
School Committee Budget Hearings



WORCESTER PUBLIC SCHOOLS



From Here, Anywhere....

Together