



FY24 INITIAL Budget Presentation & Discussion

May 4, 2023



Our Values

- **Belonging:** We believe all members of our **community** are valued and that our **relationships** are built on **empathy** and respect.
- **Equity:** We believe in promoting **social justice** to ensure an **inclusive** school community where all members are **empowered** and **engaged**.
- **Opportunity:** We believe all students should receive a **personalized** experience to achieve academic success, find **joy** in their learning, and have multiple choices for their post-secondary plans.



Vision

To create a culture of belonging that allows students to be locally engaged, globally connected and fully prepared to thrive in a diverse and changing world.



Equity Statement

Equity is a core value within the Salem Public Schools. We support each student's unique path to achieving high standards regardless of ethnicity, race, color, economic status, national origin, age, abilities, religion, parental or immigration status, political beliefs, sex, sexual orientation, language, gender identity, or gender expression. Valuing equity means that we:

- *Reflect and embrace the greater diversity of our students and families*
- *Recognize that systems of oppression marginalize some populations and suppress some voices*
- *Bear a collective responsibility to recognize, interrupt, and transform educational inequities*
- *Champion access and inclusion for all students/families/staff*
- *Allocate resources so that the students/families/staff who need the most get the most*
- *Work to be an anti-racist and culturally responsive community*
- *Create a more just and equitable world for all our students.*



Strategic Priorities and Initiatives



1. Educator Development

1A. Build a diverse workforce

1B. Cultivate culturally & linguistically responsive teaching

1C. Empower leaders as the unit of change



2. Academic excellence

2A. Expand high-quality Pre-K

2B. Develop independent learners

2C. Shared, equity-driven vision for high school



3. Support Systems

3A. Empower all students

3B. Engage families as partners

3C. Align structures for SEL supports



4. Strategic and efficient systems

4A. Strategic resource allocation

4B. Strong systems of accountability

4C. Effective data systems

Our North Star

- Increase the percent of educators/staff who represent the racial, ethnic and linguistic diversity of student
- Increase the percent of educators and staff who are retained annually
- Increase the percent of three and four-year-olds in high quality Pre-K seats
- Decrease student chronic absenteeism as measured by the percent of students who are absent 10%+ days of the year
- Decrease the number of suspensions and close the gaps in disproportionality of suspensions based on student race
- Increase the percent of students who feel their teachers care about them (as measured by Panorama survey)
- Increase the percent of students who report that their identity and culture is respected and embraced at school (to be measured by Panorama survey)

High School outcomes:

- Increase the percent of students who graduate in 4 years
- Decrease the percent of students who dropout on an annual basis
- Increase the percent of students accessing advanced coursework



Overall performance as measured by MCAS:

- Increase the outcomes of our lowest performing students, as measured by the new school accountability reporting by DESE
- Increase the percent of students who are at/above grade level in math, ELA, & science
- Increase the percent of schools who meet/exceed DESE performance targets



FY24 Budget Priorities

1. Ensure resources are allocated equitably;
2. Align funding plans to strategic priorities, district & school improvement goals & the district's master facilities plan;
3. Promote stakeholder engagement;
4. Empower school leaders to flexibly allocate resources;
5. Plan for & begin the transition away from ESSER.



High Level Context

- Rising expenses due to inflation;
- Important commitment to contractual requirements;
- Stagnant state aid;
- ESSER resources disappearing at the conclusion of FY24.

*Ultimately our FY24 costs are exceeding expected revenue. This is resulting in the need to eliminate a series of school and central office-based positions. These moves were achieved by right-sizing the number of classrooms and central office staff due to the steady decline in enrollment over the last few years.



Budget Process Timeline

Fall	Winter	Spring
<ul style="list-style-type: none"> → Oct.: Budget guidelines and calendar established & shared with SC Finance Subcommittee → Oct.: Establish enrollment & salary Projections → Nov./Dec.: Begin preliminary budget conversations with SC 	<ul style="list-style-type: none"> → Dec.: District begins analysis for FY24, using known salary increases & expenses, enrollment & district priorities → Jan.: Rollout guidance to schools & departments → Jan./Feb.: Schools & departments develop budget priorities → Feb./March: Hold 3 public budget forums to identify priorities 	<ul style="list-style-type: none"> → March: SC Finance Subcommittee budget presentations from schools & departments → March/April: Develop budget recommendations & final presentation materials → May 4: Full budget presentation to School Committee → May 8: Public budget hearing → May 15: School Committee votes on the budget

June: Mayor & City Council approve budget



Community Input- What We Heard

***What are you unwilling to give up that we currently invest in as a district?
What would you like us to divert existing resources toward?***

- Requests to maintain or add special education positions and services;
- Ongoing professional learning opportunities for staff, including librarians;
- Support for and enhanced alignment with external partners;
- Maintain mental health, nursing and behavioral supports already in place;
- Sustain low class size;
- Acknowledgement of increasing non-personnel expenses;
- Empower school leaders to flexibly allocate resources, redesigning roles across schools to best align with student needs;
- Request to expand athletics (especially Unified Sports);
- The need for deeper family partnerships, including expanded support for home visiting;
- Expand and grow programming that is working: Pre-K, career-technical education, advanced courses, summer offerings



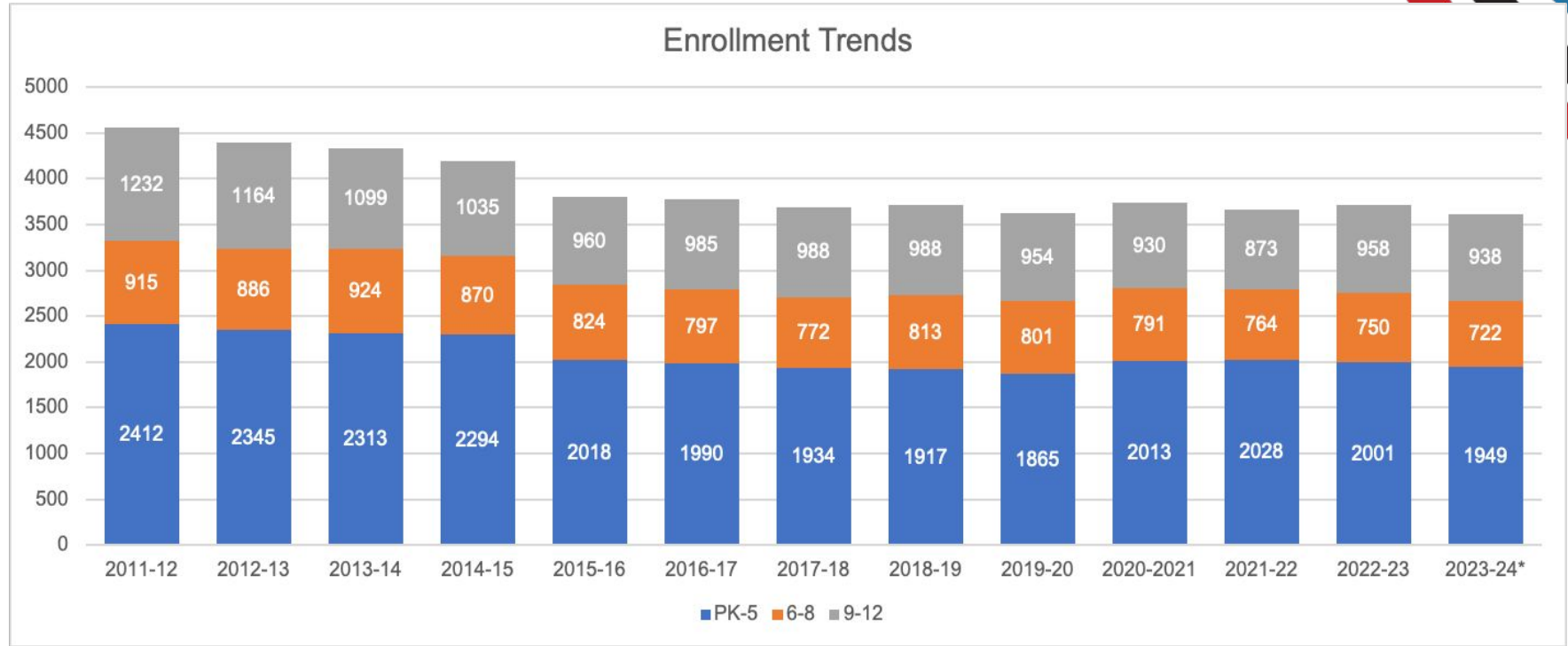
Funding allocated



More clarity/info needed



Enrollment Trends

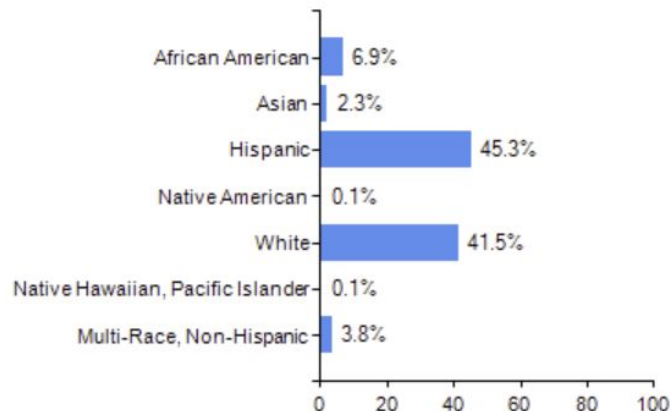


****2023-24 enrollment is a projection***
SPS enrollment has declined by 14% over the last decade



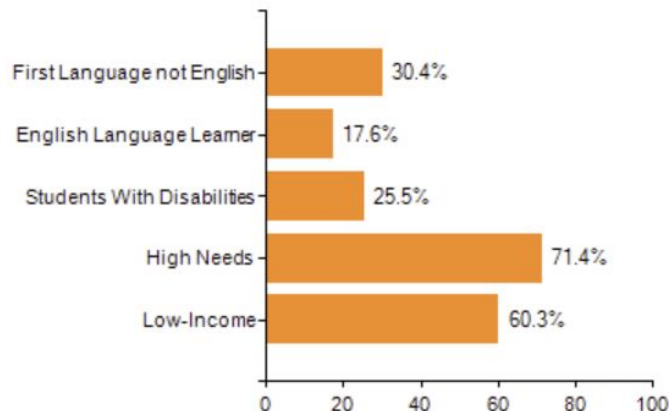
Student Demographics

Student Race and Ethnicity



58% of our students are classified as non-white

Selected Populations

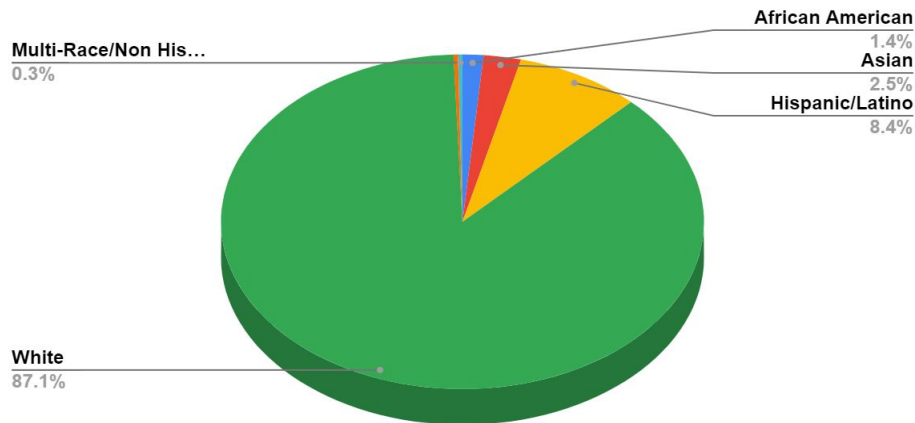


71% of our students are designated as high needs
17.6% of students are designated as multilingual learners
25.5% of our students are designated as students with disabilities

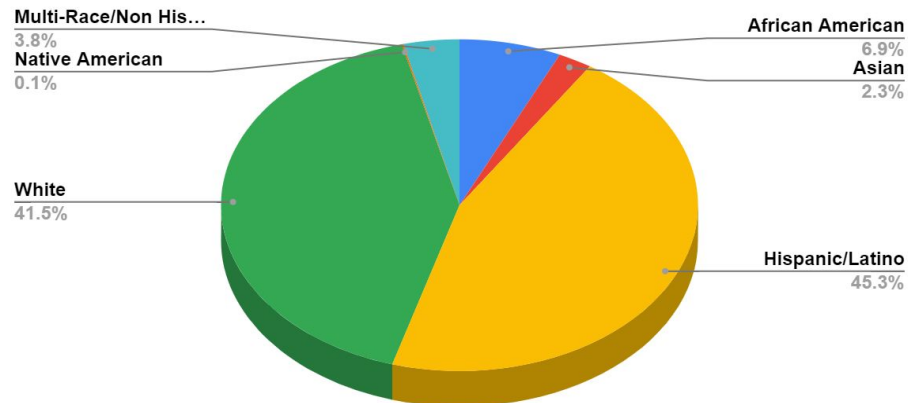


Teacher & Student Demographics

Teacher



Student Demographics



87% of teachers identify as White; 2 times as many as students
45.3% of students identify as Hispanic/Latino; more than 5 times as many teachers



FY24 Budget

- **Budget request is \$71,154,142; 3.5% increase over FY23**
 - Details are available on the [Salem Public Schools website](#)
- As in previous years, SPS arrived at this budget after:
 - **Determining personnel costs for FY24**
 - **Making cuts where possible**
 - **Accounting for revenue offsets**



Revenue: Good News & Less Good News

- ✓ **Local revenue is 61%** of the foundation budget:
 - Average annual budget increase: +3.15%
 - FY24 = +3.5%
- ✓ **Ch70 is the primary state revenue** 39% of foundation budget:
 - Enrollment growth increased Ch70 this year
 - \$1,270,938, +4.85%
 - Cuts to other funds reduced the impact (Charter Reimbursement -\$810,553)
- ✓ **Additional revenue** comes from
 - **State & federal** grants (7%)
 - **Private grants** and other local receipts (2%)

**Budget
Request for FY
2024 is
\$71,154,142,
a 3.5% increase
over FY 2023**



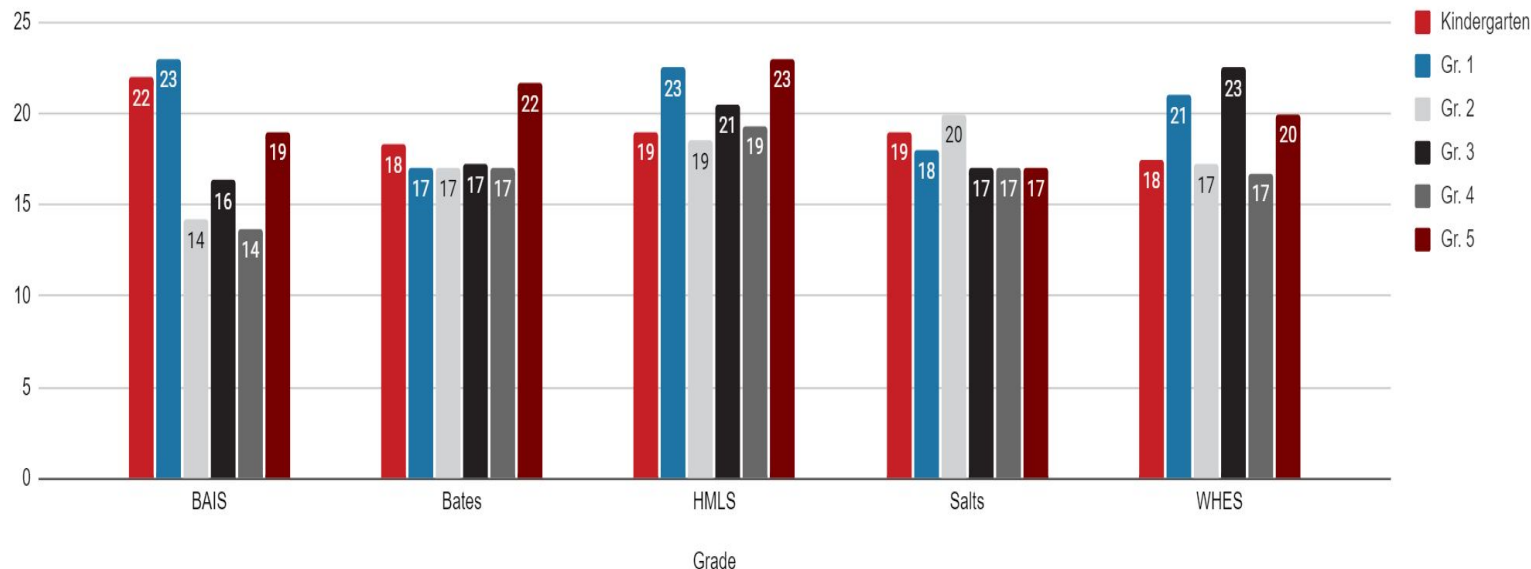
Balancing the budget: Expenses

- ✓ Salary increases & rising non-personnel costs
 - Homeless transportation
 - Out-of-district tuition
 - Electricity
 - Insurance
- ✓ Years of **declining enrollment, declining class sizes, declining revenue.**
- ✓ Looked for cost savings that were proportional & would not raise class sizes



Class Sizes

Average Homeroom Size by Grade and School



Goals: 21 students for Grades K & 1, 23 students in Grades 2 & 3, 25 students in Grades 4 & 5.



Balancing the Budget: Cuts

- **10 of 16 cuts are school-based**
 - 67% of funding goes to schools
 - 62.5% of cuts
- **6 cuts to central offices/districtwide supports**
 - 37.5% are to central offices
 - Central office staff/districtwide support is 33% of the budget
- Cuts are proportionately allocated across job type
 - **Teacher cuts:** 1.7% of the teaching staff (5/508)
 - **Paraprofessionals:** 2.5% of paraprofessionals (5/201)
 - **Non-union:** 1.5% of non-union positions (4/264)
 - **AFSCME & SAA:** 1 position each from AFSCME staff (119) & the Salem Administrators Association (34)



Balancing the Budget: Detailing the Cuts

School-Based	Central Office Based
Bates -1 teacher	Family, Community, Employee Engagement -1 Recruitment Specialist
Bentley -1 teacher	Student Services & Nursing -1 clerk
Collins -2 teachers, -2 paraprofessionals +2 Special education teachers in FY23	Technology -1 data analyst
Early Childhood Center +1 teacher, +1 paraprofessional	Teaching and Learning/ML -1 ML Supervisor and World Language Coordinator
New Liberty -1 teacher	Special Education -1 Director of special education
Salem High School -3 paraprofessionals	Finance and Operations -1 Office Manager
Witchcraft -3 teachers, -1 paraprofessional	
Net: 10 School-Based Cuts	6 Central Office Cuts



Balancing the Budget: Offsets

FY23	% Increase	Increase amount	FY24 Budget Amount	Amount After Offsets & Cuts
\$68,747,963.00	3.50%	\$2,406,178.71	\$71,154,141.71	
\$68,747,963.00	5.10%	\$3,519,895.71	\$72,267,858.71	\$71,151,142.71

After eliminating a series of positions, **total expense was \$72,267,858.71**
We balanced the budget with revenue offsets: *School Choice, FY23 surplus, retirement savings*



Budget Proposal By Cost Center, FY24

School Committee policy organizes the budget into 18 cost centers.

	FY2021 Actual	FY2022 Actual	FY2023 Adopted	FY2024 Recommended	\$ Change	% Change
Early Childhood Center	1,723,839.00	1,778,802.91	2,083,976.00	2,153,591.83	69,615.83	3.3%
Bates Elementary School	3,057,860.00	3,209,873.98	3,472,388.00	3,620,293.84	147,905.84	4.3%
Bentley Academy Innovation School	3,336,348.00	3,619,757.45	3,788,975.00	3,413,748.06	(375,226.94)	-9.9%
Carlton Innovation School	2,739,389.00	2,836,383.35	3,038,257.36	3,129,844.58	91,587.22	3.0%
Horace Mann Lab School	2,524,006.00	2,627,824.04	2,840,814.00	2,904,355.15	63,541.15	2.2%
Saltonstall K-8 School	4,077,497.00	4,100,831.19	4,366,301.00	4,492,859.82	126,558.82	2.9%
Witchcraft Heights Elementary School	4,867,054.00	4,885,902.30	5,254,276.00	5,118,306.68	(135,969.32)	-2.6%
Collins Middle School	6,744,877.00	6,592,375.01	7,116,908.00	7,385,124.60	268,216.60	3.8%
Salem High School	11,009,077.00	11,600,359.41	12,859,864.00	13,993,501.15	1,133,637.15	8.8%
New Liberty Innovation School	1,188,701.00	1,150,489.93	1,253,969.00	1,351,569.66	97,600.66	7.8%
Salem Prep High School	819,724.00	900,381.28	861,042.00	1,105,991.60	244,949.60	28.4%
District Administration	2,631,606.00	2,703,746.01	3,181,266.00	3,405,482.20	224,216.20	7.0%
Regular Day	1,519,330.32	1,618,852.35	2,281,618.39	2,216,848.33	(64,770.06)	-2.8%
Special Education	7,698,379.00	6,216,798.29	6,880,815.00	7,158,899.09	278,084.09	4.0%
Multilingual Learner Education	546,807.00	563,262.79	634,047.00	490,544.30	(143,502.70)	-22.6%
Student & Family Supports	939,679.03	1,822,639.94	2,131,866.08	2,335,244.47	203,378.39	9.5%
Instructional Technology	911,460.00	1,004,357.40	996,264.00	1,214,275.46	218,011.46	21.9%
Operations & Maintenance	5,270,606.92	5,349,279.53	6,015,820.00	6,778,148.91	762,328.91	12.7%
	61,606,240.27	62,581,917.16	69,058,466.83	72,268,629.73	3,210,162.90	4.6%



Personnel & Expense by Cost Center, FY 2024

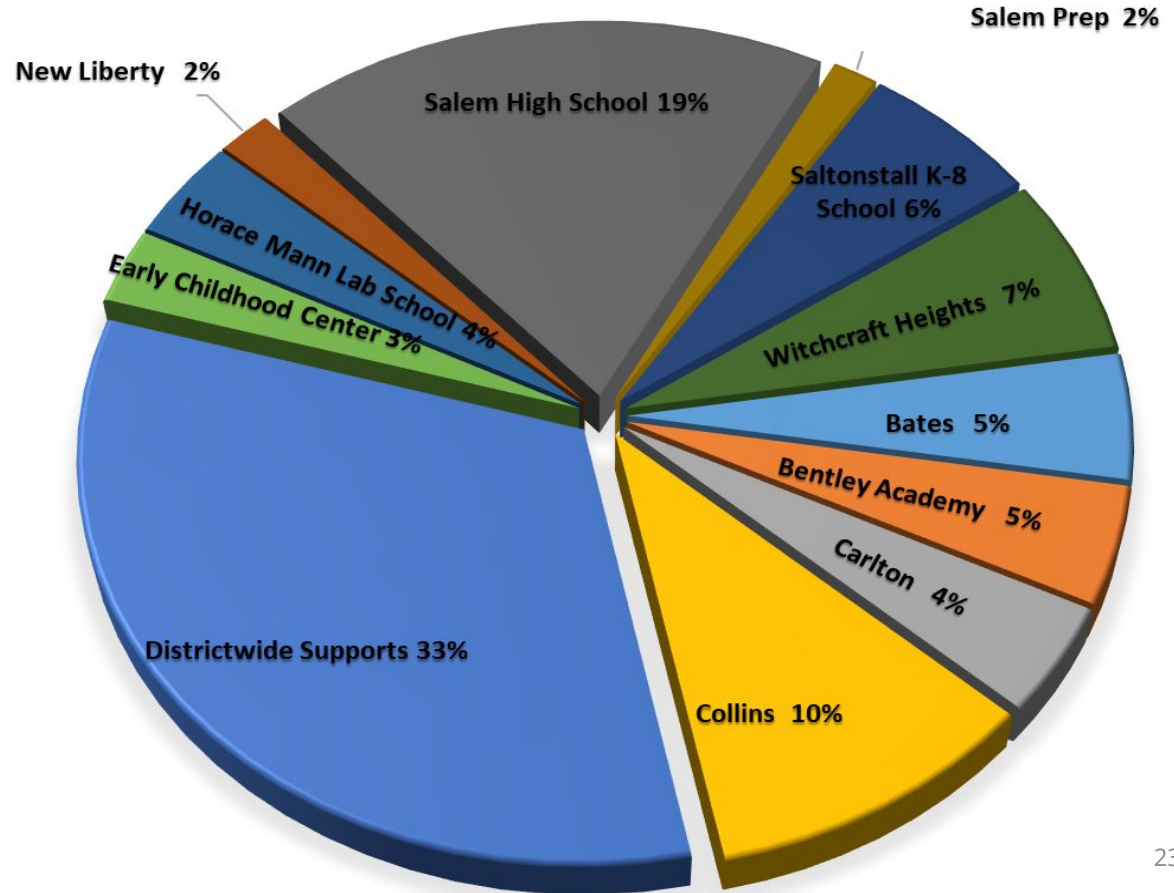
Figure 14. FY2024 Recommended Budget, Districtwide Supports compared to School-based Budgets

	FY2021 Actual	FY2022 Actual	FY2023 Adopted	FY2024 Recommended	\$ Change	% Change
Districtwide Supports	19,517,868.27	19,278,936.31	22,121,696.47	23,599,442.76	1,477,746.29	6.7%
Personnel	9,095,369.78	8,554,931.94	9,452,848.63	9,804,856.29	352,007.66	3.7%
Expense	10,422,498.49	10,724,004.37	12,668,847.84	13,794,586.47	1,125,738.63	8.9%
Schools	42,088,372.00	43,302,980.85	46,936,770.36	48,669,186.97	1,732,416.61	3.7%
Personnel	40,928,203.00	42,087,363.05	45,162,339.36	46,920,873.41	1,758,534.05	3.9%
Expense	1,160,169.00	1,215,617.80	1,774,431.00	1,748,313.56	(26,117.44)	-1.5%
Grand Total	61,606,240.27	62,581,917.16	69,058,466.83	72,268,629.73	3,210,162.90	4.6%



Overview

- ✓ 67% of funds allocated to schools
- ✓ Largest school allocations (36%): SHS, 19%, Collins 10%, WHES, 7%
- ✓ Districtwide supports is 7 cost centers that support schools, 33%



Sustained & New Investments

Sustained & New General Fund Investments

Commitment to mental health resources (SPS staffing, Cartwheel, etc.)

Continued investment in behavior specialists

Expanded Dual Language programming to grade 3 at Bentley

Expansion of CTE opportunities to the middle school

Expanding summer learning opportunities for students with disabilities

Expansion of middle and high school athletics inclusive of Unified Sports

Home visiting funds

Establishing operating fund resources for device upgrades

New data management systems for personnel tracking

New intensive Pre-K teacher & paraprofessional at ECC

Continued funding for middle school health education

Maintaining writing tutor at the high school



Personnel & Expense: FY 2024

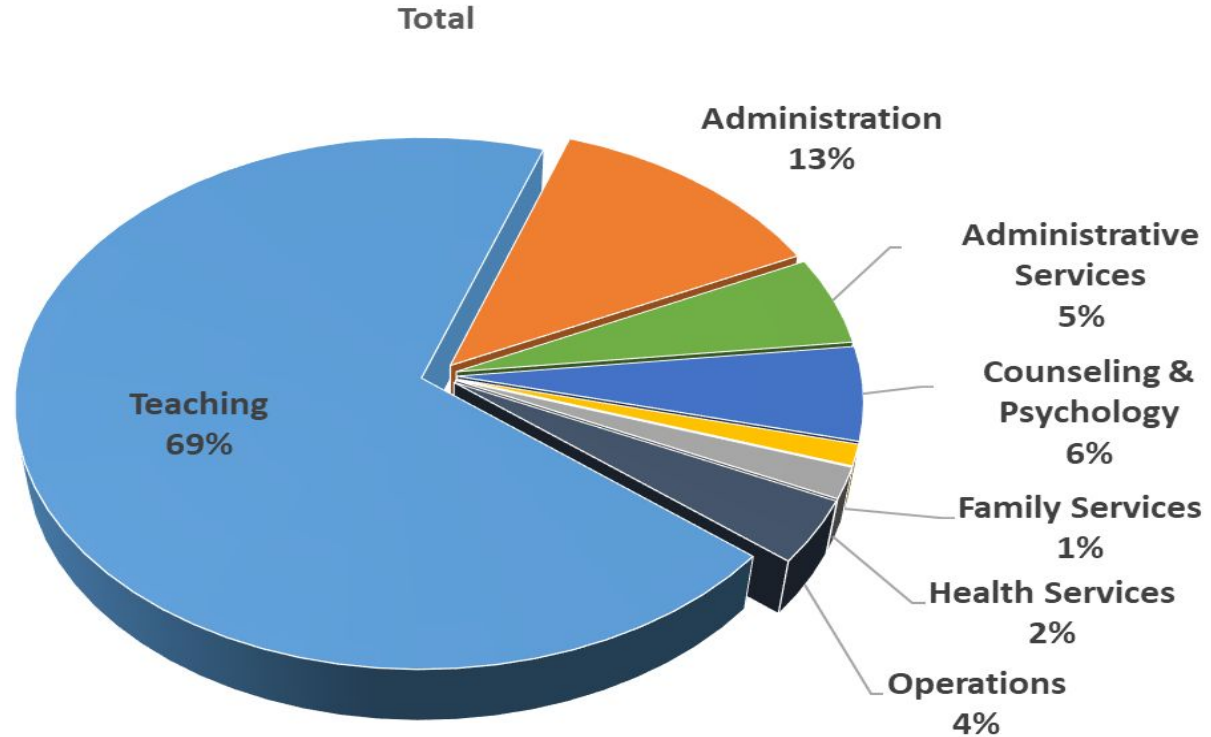
	FY2021 Actual	FY2022 Actual	FY2023 Adopted	FY2024 Recommended	\$ Change	% Change
Personnel	50,023,572.78	50,642,294.99	54,615,187.99	56,725,729.70	2,110,541.71	3.9%
Expense	11,582,667.49	11,939,622.17	14,443,278.84	15,542,900.03	1,099,621.19	7.6%
Grand Total	61,606,240.27	62,581,917.16	69,058,466.83	72,268,629.73	3,210,162.90	4.6%

Personnel costs are 78.5% of the budget
Non-personnel expenses are 21.5%



Personnel Allocations, FY 2024

- ✓ Instructional staff is 69% of personnel
- ✓ Administration is the next largest, at 13%



ESSER Funding: Update

Grant Name	Amount Awarded	Start Date	End Date	Expended	Balance Remaining	% Expended
ESSER I	\$1,096,282.00	March 2020	Sept. 2022	\$1,096,282.00	\$0.00	100.0%
ESSER II	\$4,124,098.00	April 2021	Sept. 2023	\$3,926,169.00	\$197,929.00	95.2%
ESSER III	\$9,239,679.00	October 2022	Sept. 2024	\$4,847,827.00	\$4,391,852.00	52.5%
Total	\$14,460,059.00			\$9,870,278.00	\$4,589,781.00	

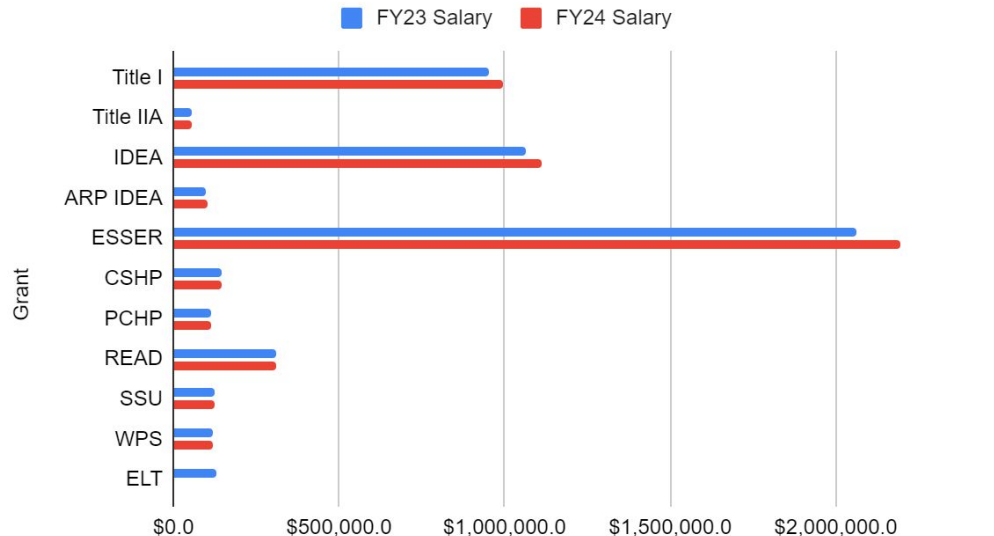
ESSER has funded:

- ✓ Teachers, paraprofessionals, behavior specialists, tutors and building substitutes
- ✓ High-dosage tutoring support from third party vendors
- ✓ Staffing to expand Pre-K classes
- ✓ Chromebooks, wireless access points, and wireless service
- ✓ Software licenses and purchases necessary to support the delivery of remote and hybrid instruction



Grant Funded Positions: FY 2024

FY23 Grant Salaries & FY24 Grant Salaries



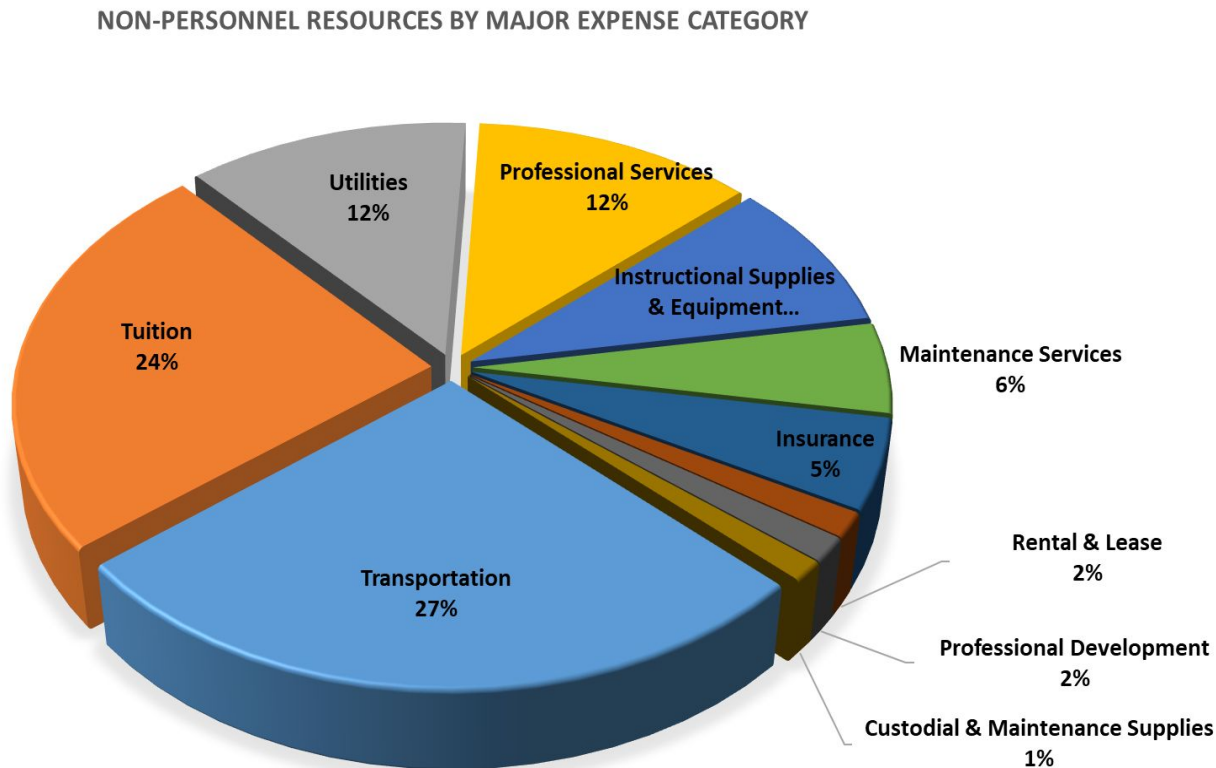
\$5,283,088 in grant-funded salaries in FY24

Grant	FY24 FTE
Title I	10.81
Title IIA	0.65
IDEA	15.81
ARP IDEA	4
ESSER	58.4
CSHP	2.3
PCHP	3.5
READ	5
SSU	1
WPS	1
ELT	
TOTAL	102.47



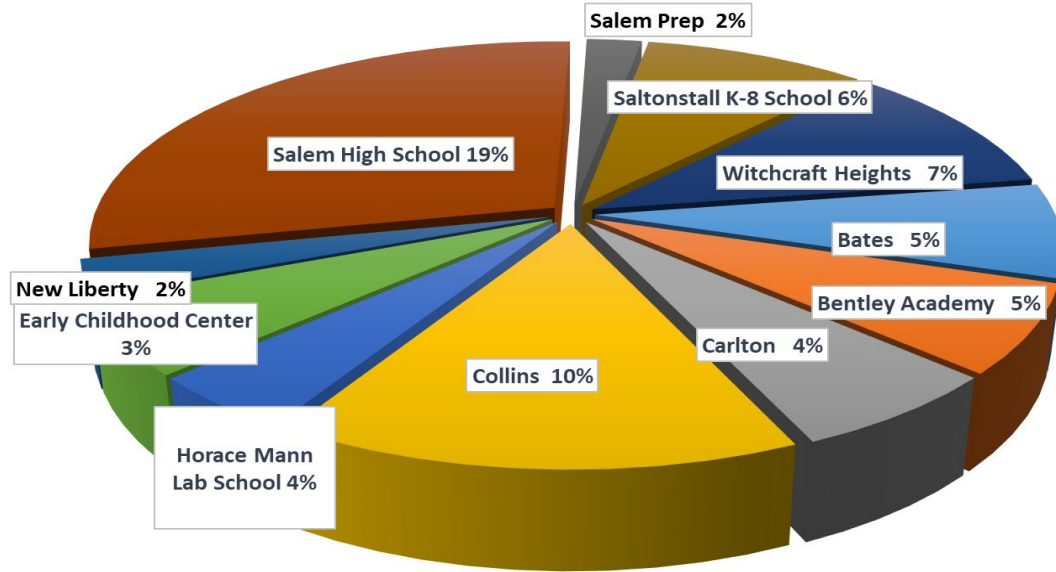
Non-Personnel Expenses, FY 2024

- ✓ Transportation (27%) & tuition (24%) are the largest
- ✓ Utilities increased by 29% last year



FY24 School-Level Budget Summary

FY2024 SCHOOL ALLOCATION SUMMARY



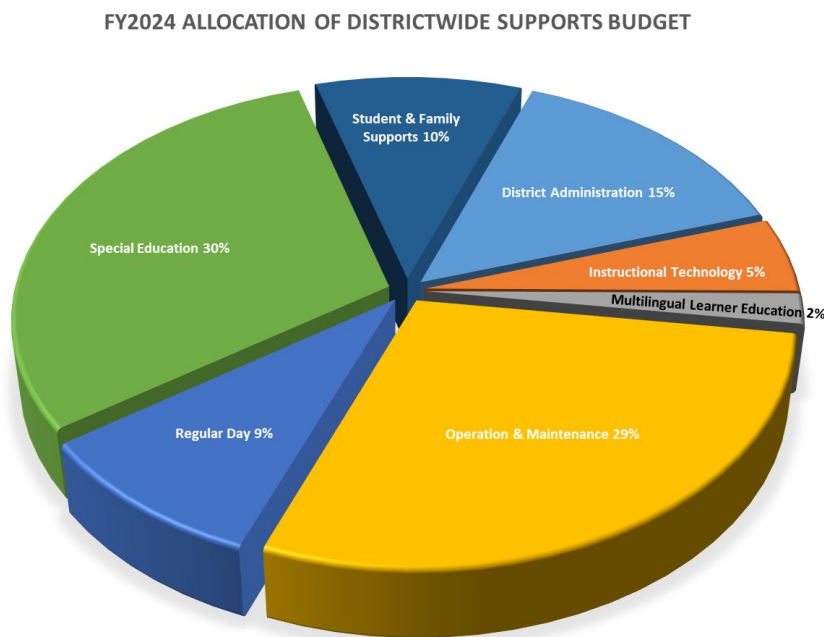
Bates 5% Bentley Academy 5% Carlton 4% Collins 10%
Early Childhood Center 3% Horace Mann Lab School 4% New Liberty 2% Salem High School 19%
Salem Prep 2% Saltonstall K-8 School 6% Witchcraft Heights 7%



Districtwide Supports FY24 Allocation

Districtwide Cost Centers (7)
work in service to schools.

- ✓ Special Education, 30%
- ✓ Operations & Maintenance, 29%
- ✓ District Administration, 15%



FY24 Districtwide Supports Cost Centers

	FY2021 Actual	FY2022 Actual	FY2023 Adopted	FY2024 Recommended	\$ Change	% Change
District Administration	2,631,606.00	2,703,746.01	3,181,266.00	3,405,482.20	224,216.20	7.0%
Regular Day	1,519,330.32	1,618,852.35	2,281,618.39	2,216,848.33	(64,770.06)	-2.8%
Special Education	7,698,379.00	6,216,798.29	6,880,815.00	7,158,899.09	278,084.09	4.0%
Multilingual Learner Education	546,807.00	563,262.79	634,047.00	490,544.30	(143,502.70)	-22.6%
Student & Family Supports	939,679.03	1,822,639.94	2,131,866.08	2,335,244.47	203,378.39	9.5%
Instructional Technology	911,460.00	1,004,357.40	996,264.00	1,214,275.46	218,011.46	21.9%
Operations & Maintenance	5,270,606.92	5,349,279.53	6,015,820.00	6,778,148.91	762,328.91	12.7%
	19,517,868.27	19,278,936.31	22,121,696.47	23,599,442.76	1,477,746.29	6.7%



FY24 Districtwide Supports Details

	FY2021 Actual	FY2022 Actual	FY2023 Adopted	FY2024 Recommended	\$ Change	% Change
Personnel	9,095,369.78	8,554,931.94	9,452,848.63	9,844,856.29	392,007.66	4.1%
District Administration	1,588,633.00	1,558,783.66	1,881,545.00	1,989,121.55	107,576.55	5.7%
Instructional Technology	657,285.00	758,697.14	771,264.00	799,275.46	28,011.46	3.6%
Multilingual Learner Education	506,599.00	525,683.22	594,047.00	450,544.30	(143,502.70)	-24.2%
Operations & Maintenance	2,246,670.92	2,163,073.32	2,467,701.00	2,738,085.91	270,384.91	11.0%
Regular Day	1,104,849.32	775,485.34	1,453,195.00	1,344,263.33	(108,931.67)	-7.5%
Special Education	2,460,544.00	1,706,422.09	1,278,389.00	1,323,221.27	44,832.27	3.5%
Student & Family Supports	530,788.54	1,066,787.17	1,006,707.63	1,200,344.47	193,636.84	19.2%
Expense	10,422,498.49	10,724,004.37	12,668,847.84	13,809,586.47	1,140,738.63	9.0%
District Administration	1,042,973.00	1,144,962.35	1,299,721.00	1,431,360.65	131,639.65	10.1%
Instructional Technology	254,175.00	245,660.26	225,000.00	415,000.00	190,000.00	84.4%
Multilingual Learner Education	40,208.00	37,579.57	40,000.00	40,000.00	-	0.0%
Operations & Maintenance	3,023,936.00	3,186,206.21	3,548,119.00	4,040,063.00	491,944.00	13.9%
Regular Day	414,481.00	843,367.01	828,423.39	872,585.00	44,161.61	5.3%
Special Education	5,237,835.00	4,510,376.20	5,602,426.00	5,835,677.82	233,251.82	4.2%
Student & Family Supports	408,890.49	755,852.77	1,125,158.45	1,174,900.00	49,741.55	4.4%
Grand Total	19,517,868.27	19,278,936.31	22,121,696.47	23,654,442.76	1,532,746.29	6.9%



Budget Request: FY24 at \$71,154,142

FY23	% Increase	Increase amount	FY24 Budget Amount	Amount After Offsets & Cuts
\$68,747,963.00	3.50%	\$2,406,178.71	\$71,154,141.71	
\$68,747,963.00	5.10%	\$3,519,895.71	\$72,267,858.71	\$71,151,142.71

After eliminating a series of positions & offsetting expenses, the total budget request is \$71,154,142.



Final Thoughts/Next Steps

- Budget is strongly linked to district vision, values and priorities;
- Maintains the integrity of the student experience;
- As responsive as possible to community, staff, school leader and School Committee feedback;
- Fiscally responsible given the City of Salem's known constraints;
- FY25 could be incredibly challenging with elimination of ESSER, new contractual obligations and a continuation of flat state aid.

***Detailed information is available in the FY24 [budget book](#)**

***Please send additional feedback to: SPSbudget@salemk12.org**

“Used correctly, a budget doesn’t restrict you, it empowers you.”

--Tere Stouffer, Author

