SALEM PUBLIC SCHOOLS
Where belonging leads to opportunity.

Elementary Reconfiguration Updates

November 17, 2025

Reconfiguration Scenarios

Scenario 1 **Saltonstall & Horace Mann merge at Horace Mann building** *Saltonstall building is repurposed rather than closed*	Scenario 4 **Carlton & Saltonstall schools merge at Saltonstall building** *Carlton building offline or becomes early childhood center*
Scenario 2 **Saltonstall & Horace Mann merge at Horace Mann** AND **Bentley moves into Saltonstall building** *Bentley/ECC building becomes early childhood center*	Scenario 5 **Carlton & Horace Mann merge at Horace Mann building** *Carlton building offline or becomes early childhood center*

Reflections

- Goals:
  - **Elevate the learning experience for every student**
  - **Advance our core value of equity**
  - **Ensure long-term fiscal sustainability**
- Scenarios ruled out dispersal of students
- Commitment to engaging the public with data, reasoning, and opportunities for discussion

Themes in Feedback

- More information about the SPS projected deficit
- What are the alternatives to school mergers?
- Traffic
- Class size and building utilization
- Benefits from larger elementary consolidation
- Supporting students, staff and families through a transition

Traffic Concerns

- Start and end times would need to be staggered between HMLS and SHS.
- Traffic study conducted in Dec. 2024 matches the number of students who are projected to access the site if there is a merger.
- HS project will adjust traffic patterns
- More analysis and consultation is necessary to develop a plan that reduces congestion.

Class Sizes

- The ‘minimum full’ capacity is smaller than the current assignment practice.
- The ‘maximum full’ capacity reflects the contractual maximum.
- Currently, we are not projecting an increase in elementary class sizes with our merger scenarios.
- We are not suggesting merging/altering substantially separate classrooms.

Overall Elementary Utilization and Capacity

	Current Enrollment	Empty Seats in Existing Classrooms	Estimated # number of unused classroom spaces across elementary schools	Total number of unused seats at an average of 23 students per classroom
K-5	1,901	218	60	1380

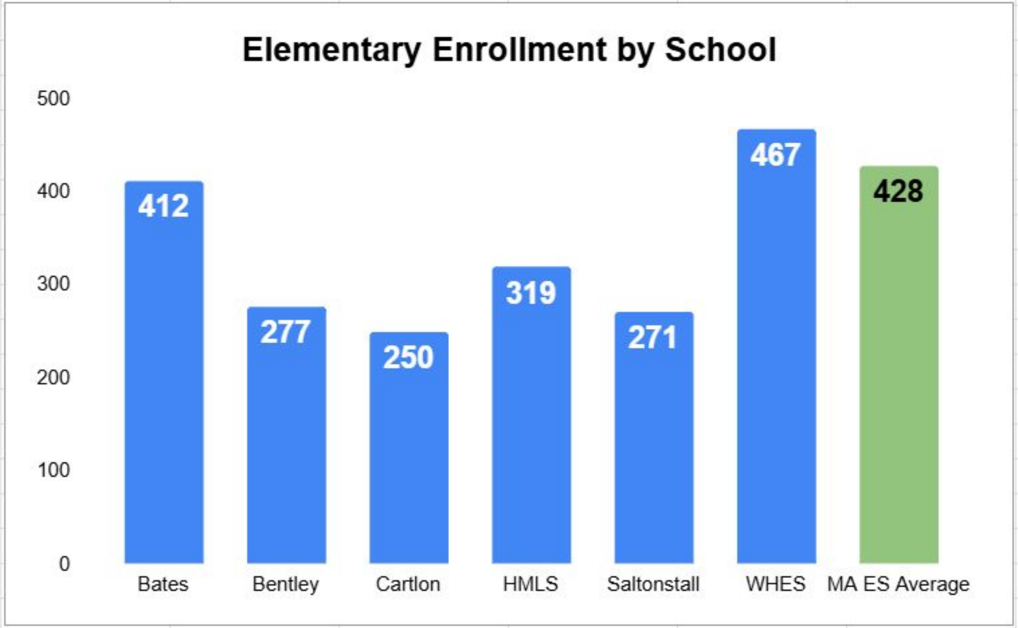
***Total # of available elementary seats- 218 + 1380= 1598 available seats**

Benefits of Larger Elementary Schools

- Increased educator collaboration across grade levels
- Ability to strategically assign students
- Service providers and specialists do not need to travel, providing stronger connection to each community
- Resource efficiency allows for investing in more robust programs at each school for students
- Smaller footprint for the central office
- Capital $s allocated across fewer buildings

Comparisons

- The average size of a MA elementary school is 428 students
- Districts with between 3500-4500 students in MA have on average 7.5 schools



If the School Committee Votes to Merge a School

Supporting Families and Students

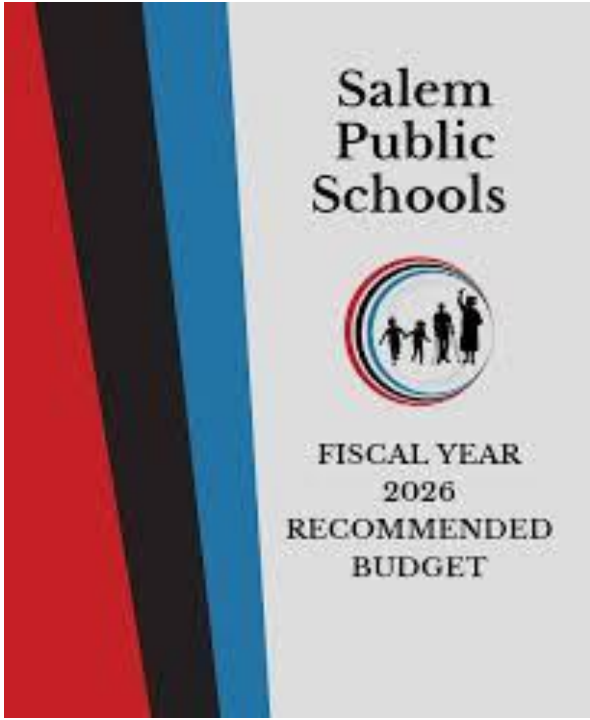
- Transition team to oversee merger
- Series of transition events
- Commit to specific resources needed to assist with transition
- No changes to any services for students on IEPs/504 plans affected by mergers
- Commit to maintain unique traditions
- Metrics to monitor outcomes
- Prioritize families from merging school who want to make alternative assignment choices

Supporting Staff

- The majority of staff will have a role in the merged building.
- All staff with professional status will continue to have a role in SPS
- We will work to find a role for any staff member in good standing without professional status somewhere in SPS.
- We will engage in 1 to 1 planning conversations with affected staff

For planning and effective implementation a decision by end of December is highly preferred

Budget Context



FY26 Overview

Reminder: FY26

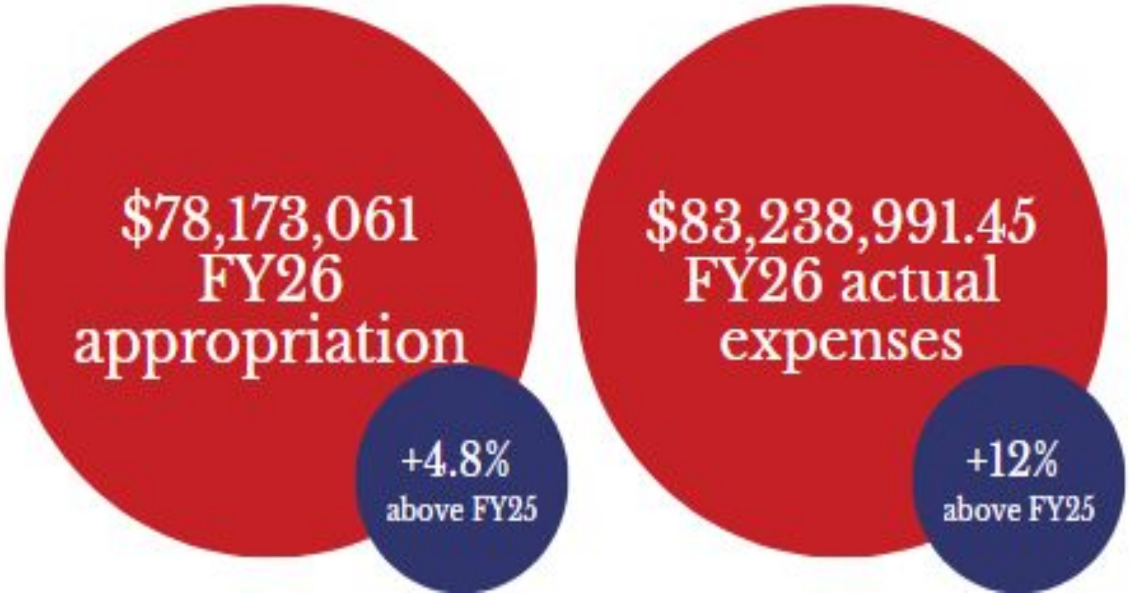
- 4.8% increase (+$3,580,445.57)
- Complicated architecture
  - Looked for efficiencies
  - Using recurring revenue to reduce expenses
  - Position reductions & Non-Personnel reductions
  - 56.5 positions are being eliminated

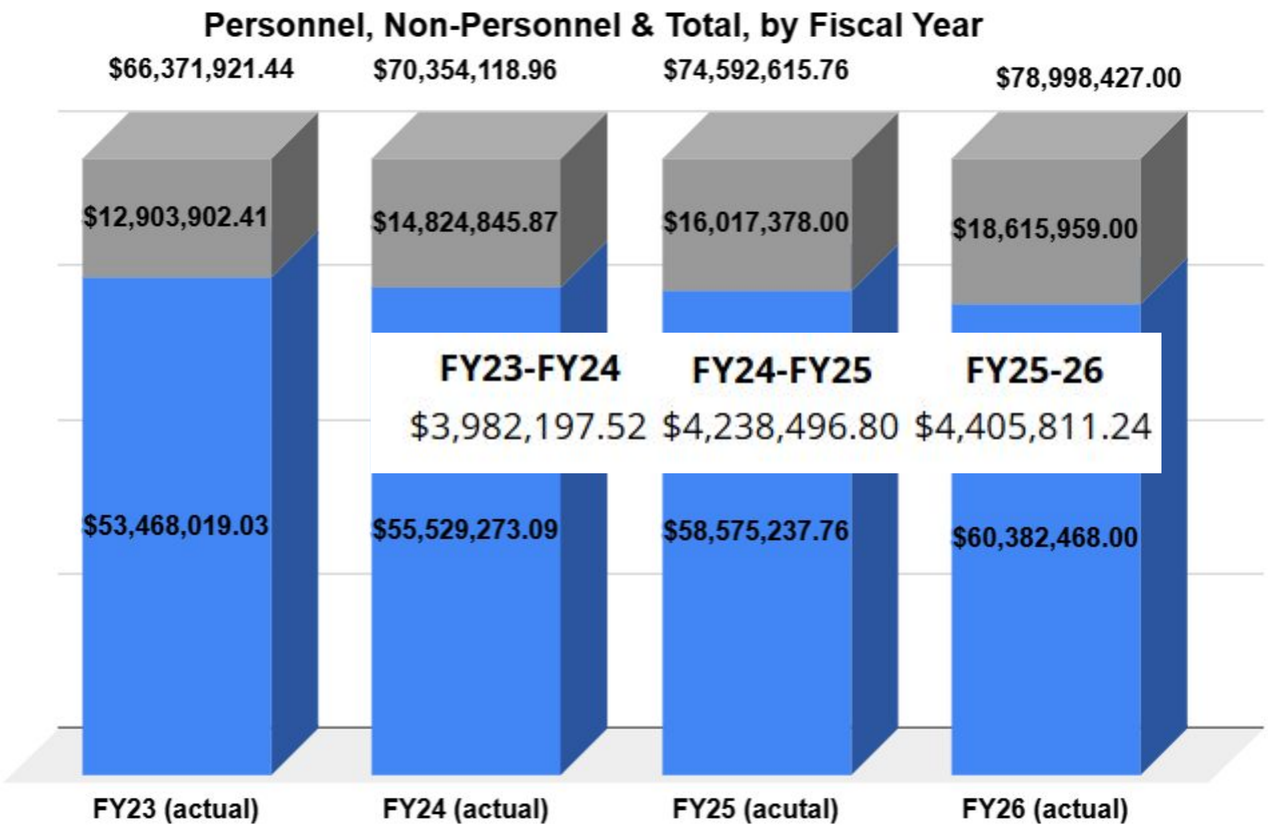
$78,173,061

Appropriation vs. Actual Expenses

- Before reductions & offsets, Personnel & Non-Personnel costs will be ~$4.9M above the appropriation

- +6% above the appropriation




Personnel, Non-Personnel & Total, by Fiscal Year
$66,371,921.44
$70,354,118.96
$74,592,615.76
$78,998,427.00
$12,903,902.41
$14,824,845.87
$16,017,378.00
$18,615,959.00
FY23-FY24
FY24-FY25
FY25-26
$3,982,197.52
$4,238,496.80
$4,405,811.24
$53,468,019.03
$55,529,273.09
$58,575,237.76
$60,382,468.00
FY23 (actual)
FY24 (actual)
FY25 (acutal)
FY26 (actual)

Budget Context: It's Complicated

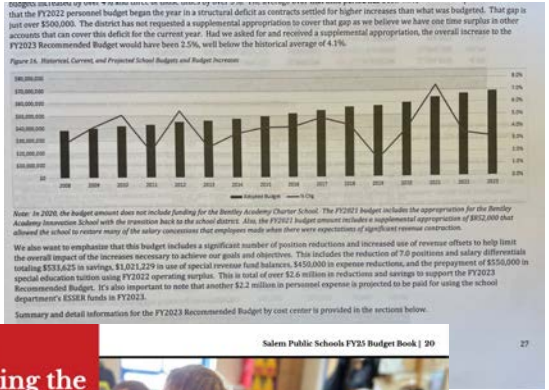

that the FY2022 personnel budget began the year in a structural deficit as contracts settled for higher increases than what was budgeted. That gap is just over $500,000. The district has not requested a supplemental appropriation to cover that gap as we believe we have one time surplus in other accounts that can cover this deficit for the current year. Had we asked for and received a supplemental appropriation, the overall increase to the FY2023 Recommended Budget would have been 2.5%, well below the historical average of 4.1%.

Figure 16. Historical, Current, and Projected School Budgets and Budget Increases

Note: In 2020, the budget amount does not include funding for the Bentley Academy Charter School. The FY2021 budget includes the appropriation for the Bentley Academy Innovation School with the transition back to the school district. Also, the FY2021 budget amount includes a supplemental appropriation of $852,000 that allowed the school to restore many of the salary concessions that employees made when there were expectations of significant revenue contraction.

We also want to emphasize that this budget includes a significant number of position reductions and increased use of revenue offsets to help limit the overall impact of the increases necessary to achieve our goals and objectives. This includes the reduction of 7.0 positions and salary differentials totaling $533,625 in savings, $1,021,229 in use of special revenue fund balances, $450,000 in expense reductions, and the prepayment of $550,000 in special education tuition using FY2022 operating surplus. This is total of over $2.6 million in reductions and savings to support the FY2023 Recommended Budget. It's also important to note that another $2.2 million in personnel expense is projected to be paid for using the school department's ESSER funds in FY2023.

Summary and detail information for the FY2023 Recommended Budget by cost center is provided in the sections below.

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Salem Public Schools FY25 Budget Book | 20

FY25: Balancing the Budget

Direct Appropriation

$74,592,616

This is includes
- state aid

Salem Public Schools has **a structural budget gap**, between operating costs (personnel and non-personnel expenses) and our annual direct appropriation from the city & state. This gap is over $3 million.


THE CODCAST

Municipal budgets at the breaking point

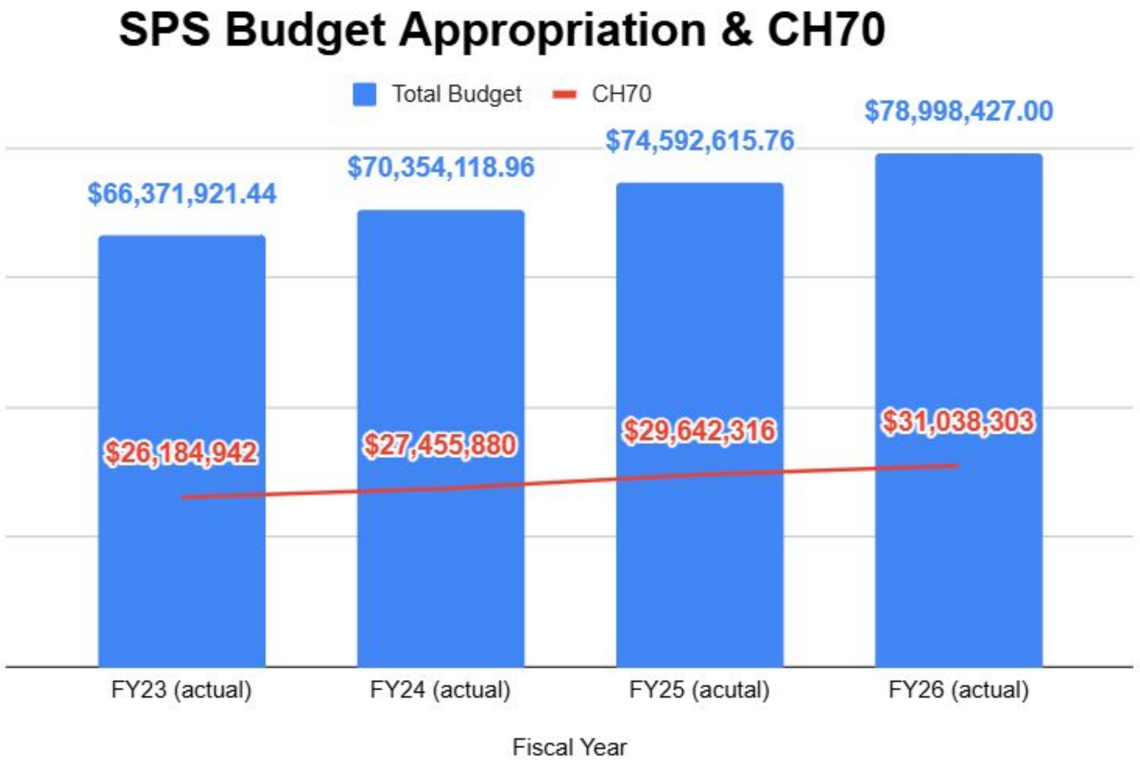
by COMMONWEALTH BEACON STAFF

3 days ago

'Most challenging year': Large number of Mass. districts...

'Challenging year': Large number of Mass. school districts laying off teachers, cutting programs

Where does SPS funding come from?



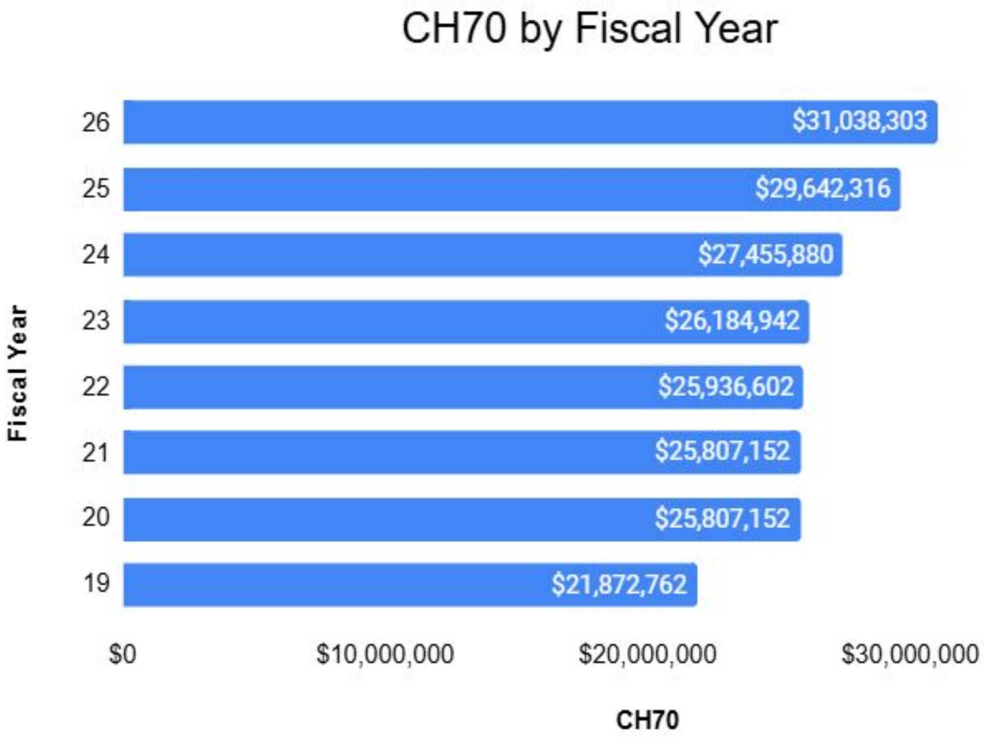
Salem's expected local contribution is among the highest for Gateway Cities

- Maximum local contribution is 82.5%
- For the 26 Gateway cities, target local share ranges from 14.93% (Springfield) to Barnstable & Quincy (82.50%)
- Salem's target local share is 71.46% (185% of the average)
  - 10% decline in target state aid share in the last three years

Town	Target Local Share
Springfield	14.93
Lawrence	15.33
Holyoke	18.7
New Bedford	21.35
Fall River	22.05
Chelsea	22.56
Brockton	23.05
Lynn	23.4
Lowell	25.37
Fitchburg	27.27
Everett	28.14
Worcester	29.38
Chicopee	29.53
Taunton	36.86
Pittsfield	37.29
Leominster	40.33
Revere	40.87
Haverhill	44.15
Westfield	46.61
Methuen	46.8
Attleboro	48.91
Malden	53.22
Peabody	67.82
Salem	**71.46**
Barnstable	82.5
Quincy	82.5

CH70 & Salem

- 2019: Student Opportunity Act & it was identified that Salem would receive less
- Salem leaders have been actively trying to address the CH70 formula
- CH70 commission is now evaluating the formula



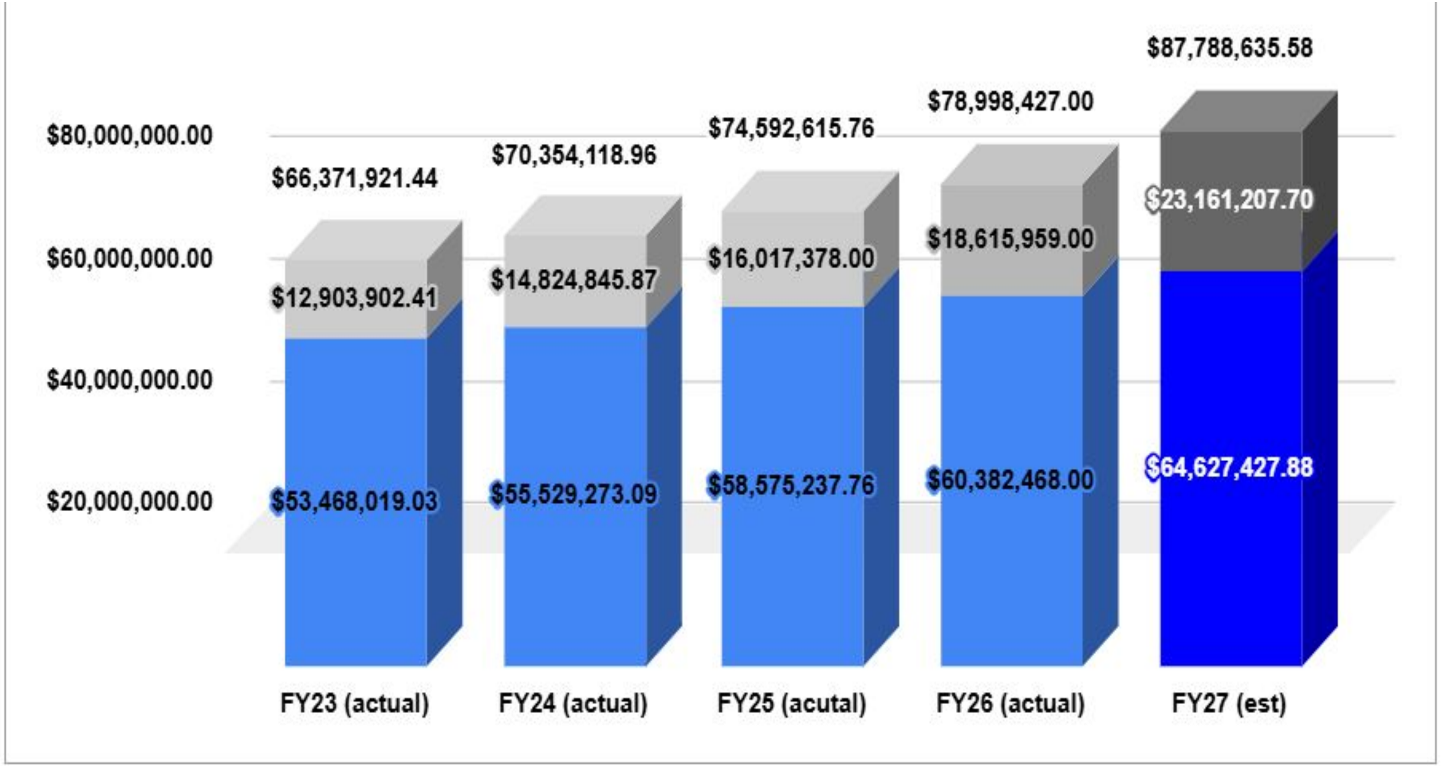
What We Know/Assume about next year:

- STU, PSRP, SAA salaries
- 3.5% increases to most non-personnel lines
- Budget increase will be consistent with budget increases in FY25 & FY26

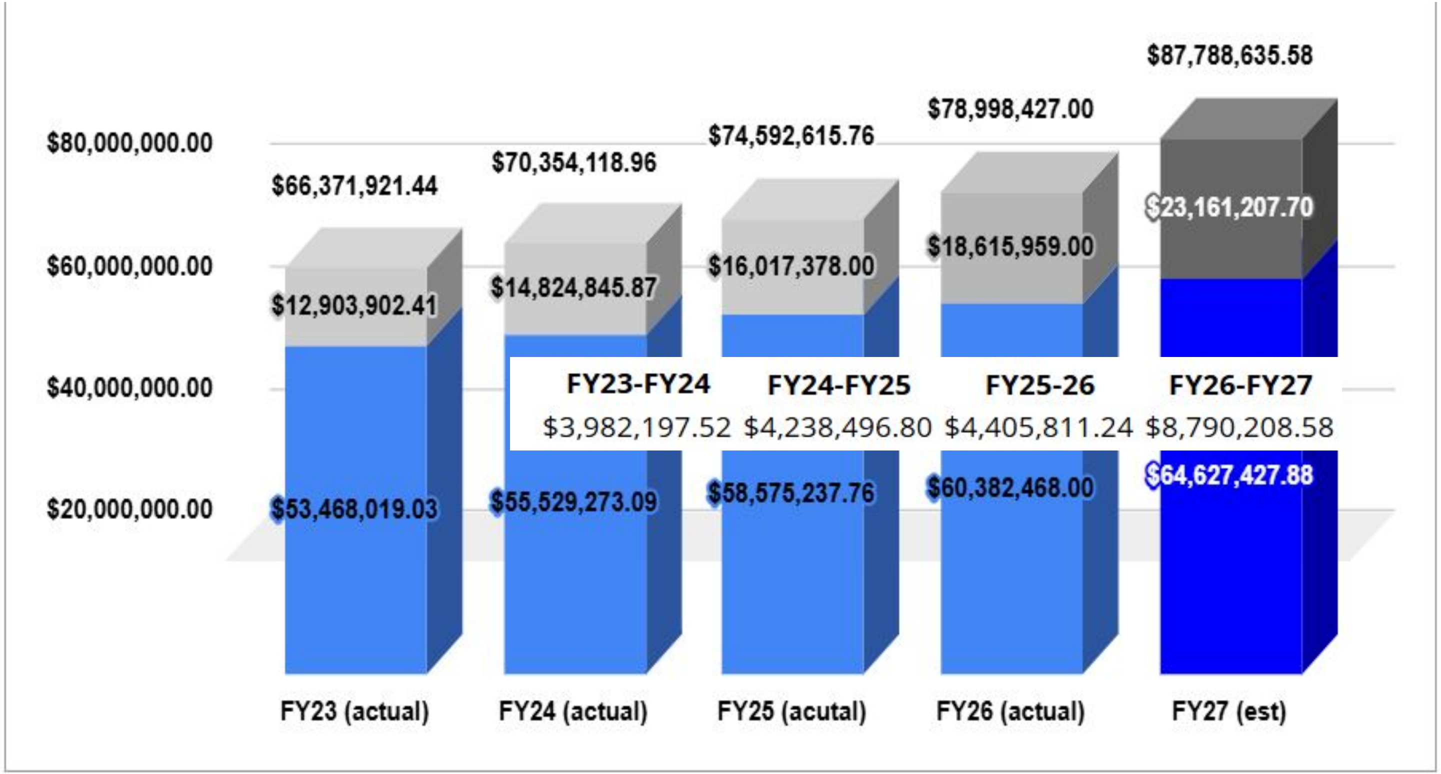
What we don't yet know:

- CH70 for FY27 (January)
- AFSCME salaries (negotiations this year)
- Increases to major cost drivers:
  - Special Education OOD tuition
  - Transportation– Regular Day & Homeless
- What shifts/expansion will be needed for Special Education
- Federal funding changes
- Inflation/cost increases

Personnel, Non-Personnel & Total Budgets



Annual Budget Increases



FY26 and FY27: Actual & Est.

	Personnel	NonPersonnel	Total
FY26 (actual)	$60,382,468.00	$18,615,959.00	$78,998,427.00
FY27 (est)	$64,627,427.88	$23,161,207.70	$87,788,635.58

Assuming a typical or (slightly higher than typical) budget increase, the estimated gap will be **~$4.5--~$5 million**

+$8,790,208.58

What drives our costs?

Intentional Choices:

- Paying competitive wages to staff (recruitment & retention)
- Average salary increases (step & COLA) in FY26 were significant & overdue:
  - SAA: +5%
  - STU: +10%
  - PSRP: +15%
- Operating costs from maintaining 8 buildings

External Factors: Rising costs

- Rising utilities costs
- Rising costs for out-of-district placements
- Rising costs for transportation

What have we done to close budget gaps?

- Annually offset gaps (ESSER, reserves, revenue, prepayment);
- Reduce positions 4 years in a row (56.5 positions in FY26);
- Expand in-house capacity to better meet student needs:
  - 2018: 19 Special Education programs
  - 2025-2026: 31
- Actively seek grant funding: in FY25, 50 FTEs fully/partially funded by grants;
- Participate DESE/ERS learning cohort to look for research based & effective budgeting strategies.

No great options for closing $4.5-$5M gap:

Gap in FY26 was $4.9M, resulting in 56.5 position cuts (including vacancies, retirements, & voluntary departures)

Options this year:

- Reduce district-level staff ($235,000)
- Reduce school level admins & non-classroom positions ($1,136,166)
- Increase class size up to the contract limit (25) ($884,264)
- Reconfigure High School schedule ($700,000)
- Increasing caseloads for MLs & Students with Disabilities (~$175,000)
- Sharing elementary specialists across schools ($340,000)
- Close PreK classrooms ($279,480)
- Reducing non-required stipends ($550,000)
- Reduce non personnel expenses ($345,248)
- Reduce transportation (~$375,000)
- Merge schools ($1,300,000)

Next steps: the FY27 Budget Process

What we know

- SPS has had a structural deficit that has necessitated cuts for the last 4 budget cycles
- Costs are rising
- SPS will have another sizable gap in FY27
- There will be budget cuts

What we are modeling?

- What is the minimum number of cuts that can be made?
- What non-personnel cuts can we make (e.g. non-mandatory transportation)?
- How to make the most of our resources to deliver the highest quality education to all students?

Final Reflections

- Provide childcare at Horace Mann on **Tuesday, November 25 @ 6:30 pm**

- Working on scheduling a Spanish speaking forum

- Continue to respond to questions via reconfiguration@salemk12.org and meet with families, staff and community organizations