



SALEM
PUBLIC SCHOOLS
Where belonging leads to opportunity.

Elementary Reconfiguration Updates

November 25, 2025



What is Happening?

Right now, Salem schools are facing major funding issues.

- It costs more than ever to run schools, however we do not receive enough funding from the state.
- Funding for our schools comes from the city and state.
 - Salem Public Schools staff create a budget request based on program needs.
 - The City identifies the percentage increase for the School Department; most of SPS funding comes from the city of Salem.
 - The School Committee approves the budget & sends it to City Council for final approval.
- Last year, expenses were more than our budget, leaving us with a budget gap of \$4.9M; we needed to cut 56.5 positions.



What is Happening?

- Next year, we expect to be \$4.5M to \$5M short.

One of our biggest problems is “Chapter 70” funding.

- This is the main source of state funding.
- Chapter 70 is a formula based on student enrollment, demographics, & a city’s ability to pay for its schools. The formula has not kept pace with increasing costs.
- Salem does not receive as much money as we need, & we pay more than cities similar to us.

The District needs to find ways to reduce costs and to offer ALL students high-quality education.

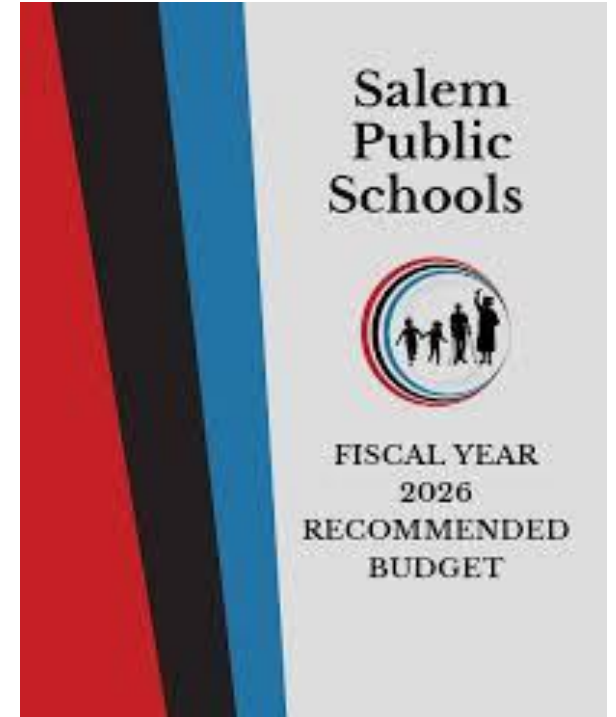


What Are Our Options?

SPS has several ways to address the budget, but none of them are easy.

Options could include:

- Reducing district staff
- Reducing non-classroom positions in schools
- Increasing class sizes
- Increasing caseloads for staff serving multilingual learners and students with disabilities
- Closing Pre-K classrooms
- Reducing/sharing special programming like art and music
- Reducing transportation
- Merging (or “reconfiguring”) elementary schools



What Are Our Options?

None of these options alone would fix the budget.

- However, a combination of options could make a large impact.
- The district needs to consider options that help the budget now and in the future.

We are also advocating for more Chapter 70 funding. See slide 30 in the appendix for more information.



Why Reconfiguration?

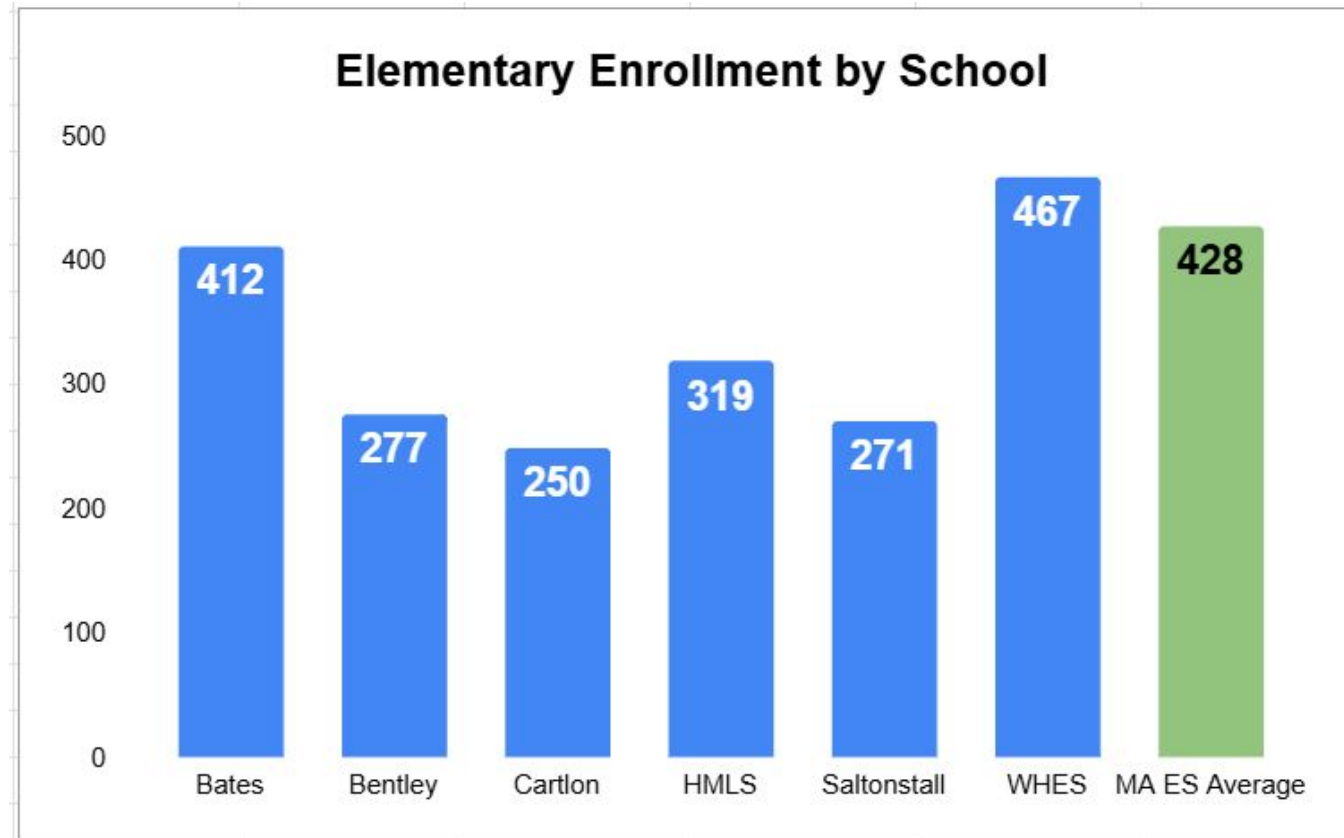
SPS is asking the School Committee to consider “reconfiguring” elementary schools.

- Salem has more school buildings than most other towns/cities of our size.
 - School buildings are very expensive to operate. For each building, we need to pay for utilities, repairs, non-classroom staffing, and more.
- We have over 200 empty seats across our elementary schools.
- We also have enough unused classrooms to fit another 1,300+ students.



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



Our Goals

We understand that conversations about the budget and school reconfiguration are very hard.

- Nobody at SPS wants to cut costs or cause disruption for kids or families.
- However, if we don't act, we won't have enough money to run our schools.

As we look at the budget, we are committed to the following goals:

- To elevate the **learning experience** of every student
- To advance our core value of **equity**
- To ensure long-term **financial sustainability**
- To **engage with parents, school staff, and the community** to find the best possible solution.



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



What We're Hearing

The main themes and questions we are hearing about are as follows:

- Traffic
- Class size
- Larger elementary schools consolidation
- Learning models
- School choice options
- Timeline
- Transition



What Happens Next

- School Committee discussions
- Scheduled to discuss and vote at December meetings. Decide on—
 - one of the options recommended
 - another option
 - or no change



What Happens Next

- 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



Final Reflections

- Continue to respond to questions via reconfiguration@saalemk12.org and meet with families, staff and community organizations
- Slides 14-39 (appendix) are from the presentation that was delivered at the first Community Meeting on 11.17.25





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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**



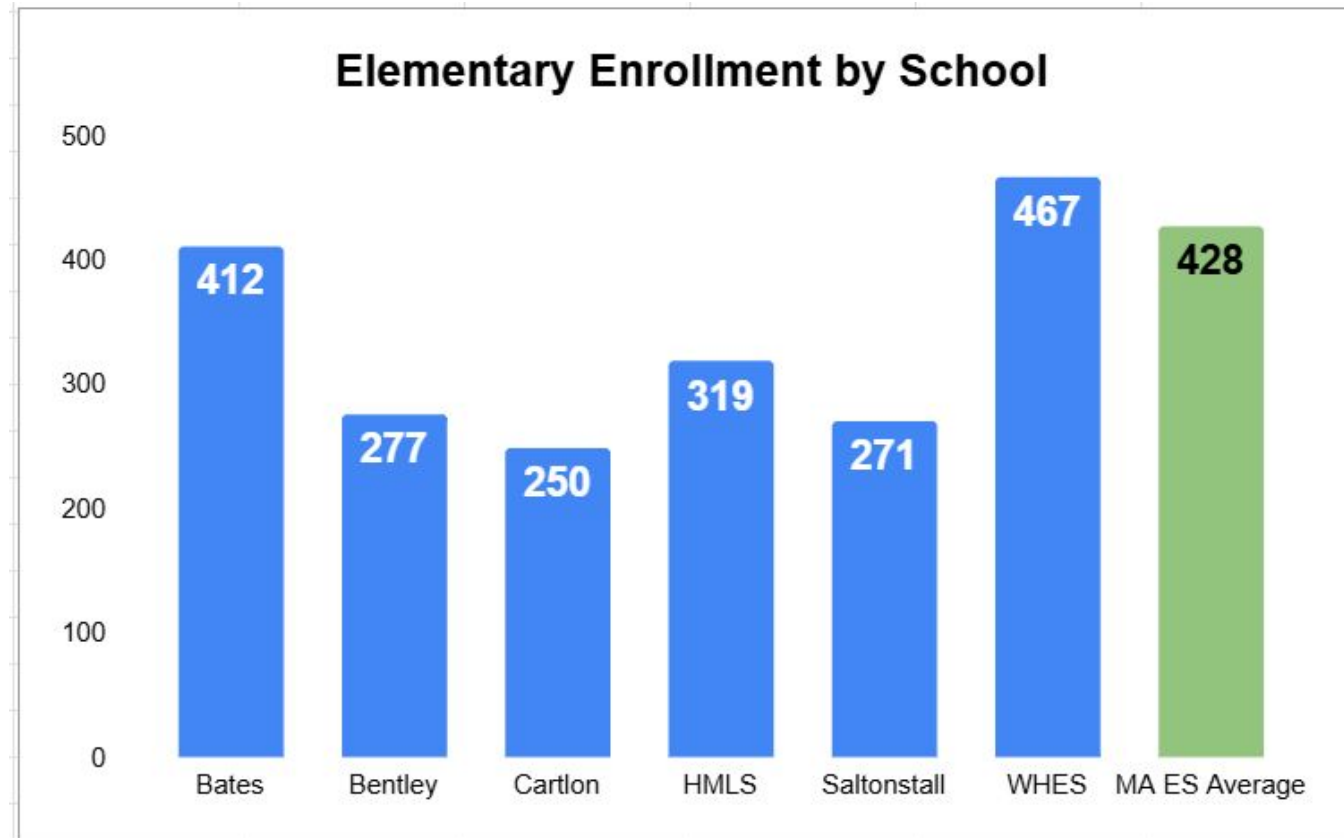
Benefits of Larger Elementary Schools

- 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

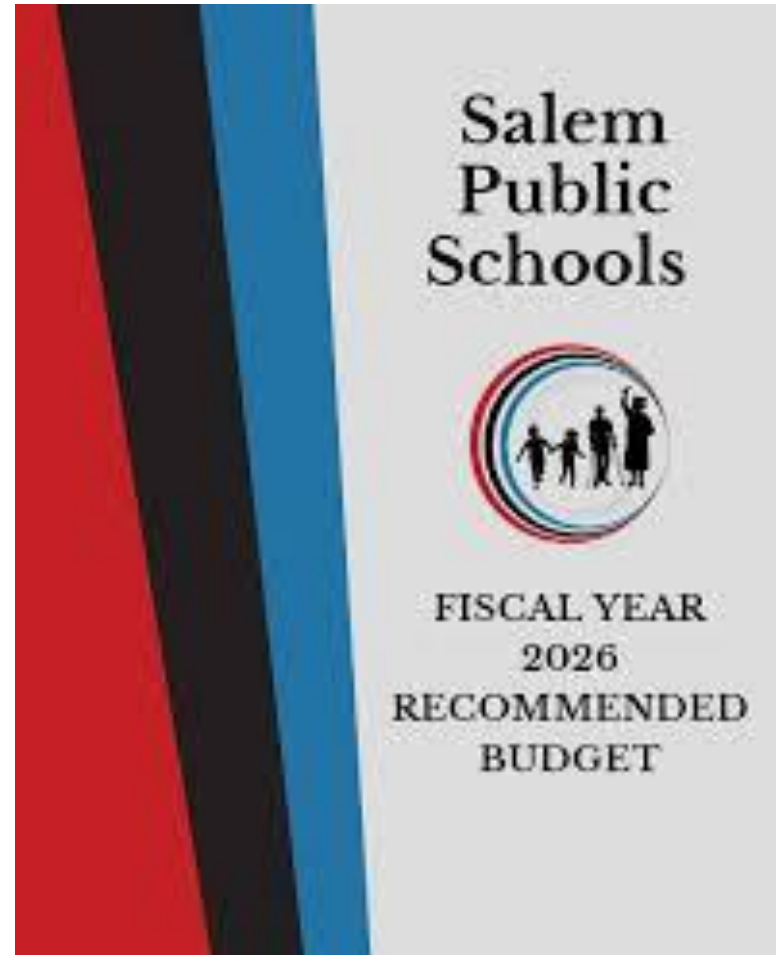
Supporting Staff

- 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



Reminder: FY26

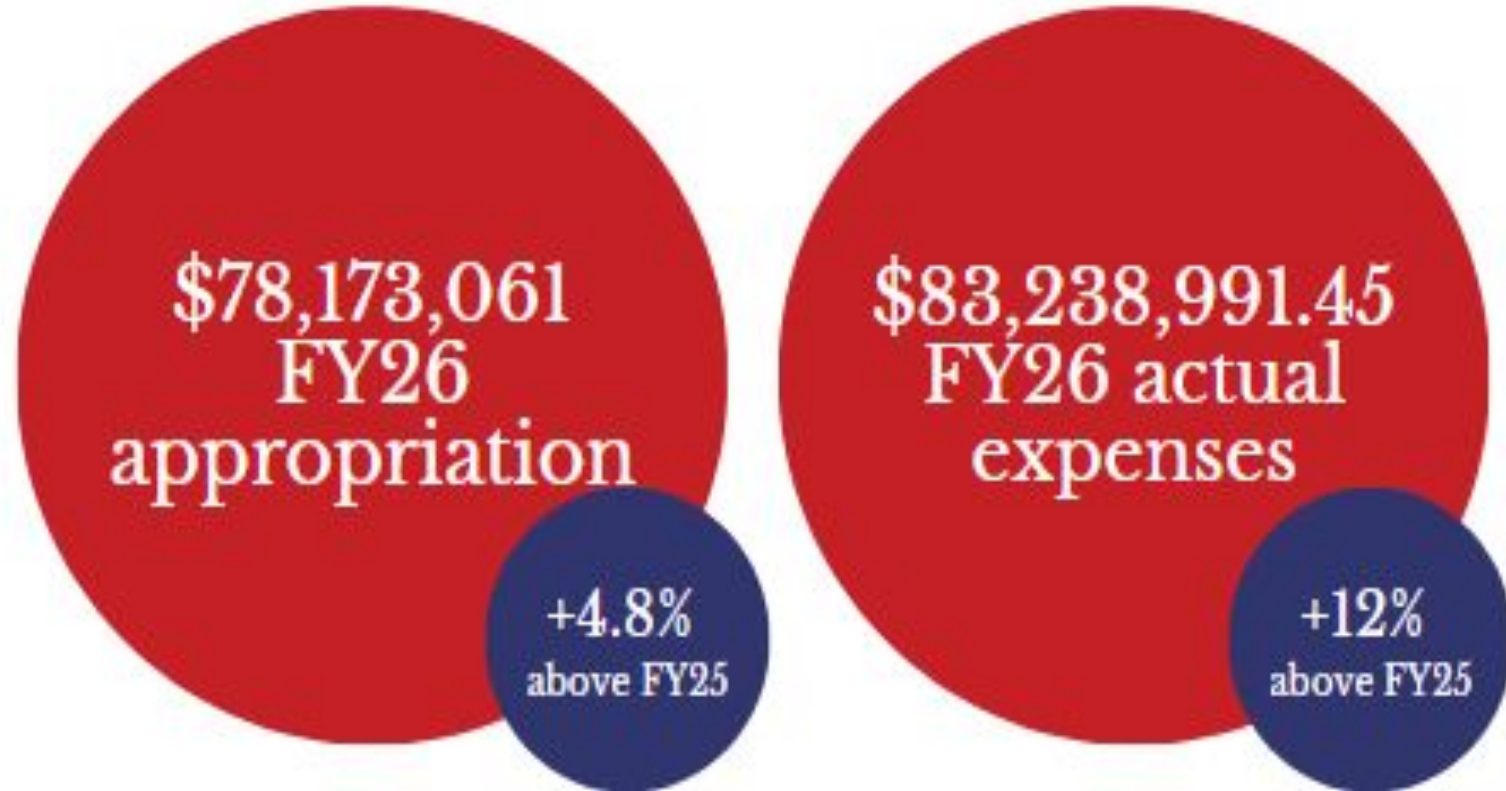
- ❑ 4.8% increase (+\$3,580,445.57)
- ❑ Complicated architecture
 - ❑ Looked for efficiencies
 - ❑ Using recurring revenue to reduce expenses
 - ❑ Position reductions & Non-Personnel reductions
 - ❑ 56.5 positions are being eliminated



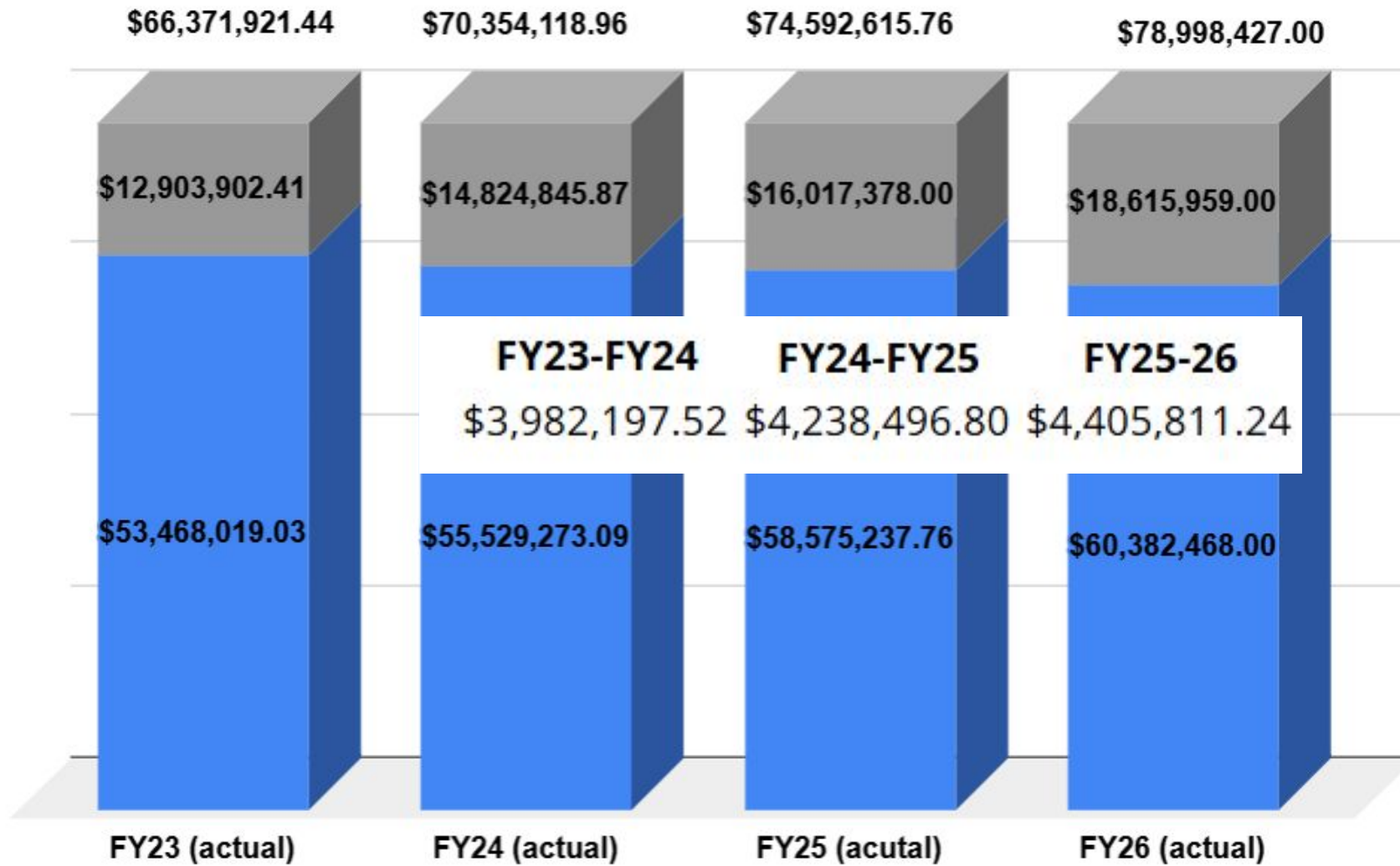
\$78,173,061

Appropriation vs. Actual Expenses

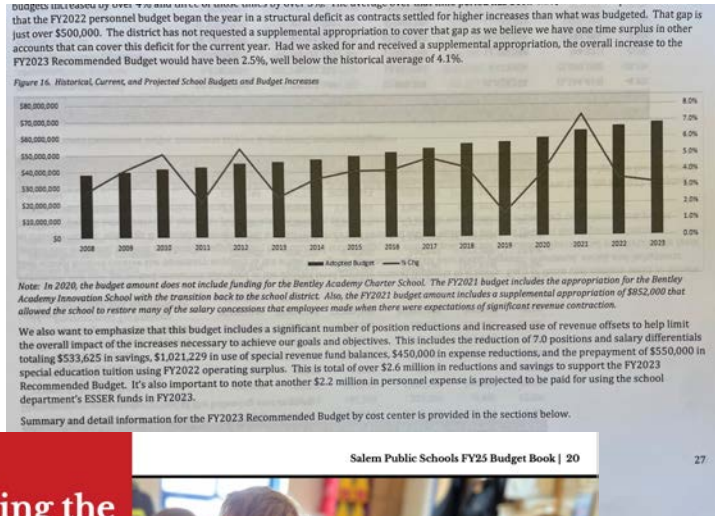
- ❑ Before reductions & offsets, Personnel & Non-Personnel costs will be ~\$4.9M above the appropriation
- ❑ +6% above the appropriation



Personnel, Non-Personnel & Total, by Fiscal Year



Budget Context: It's Complicated



FY25: Balancing the Budget

Direct Appropriation

\$74,592,616

This 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.

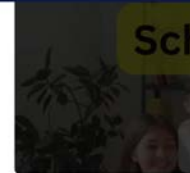
THE CODCAST

Municipal budgets at the breaking point

by COMMONWEALTH BEACON STAFF
3 days ago



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

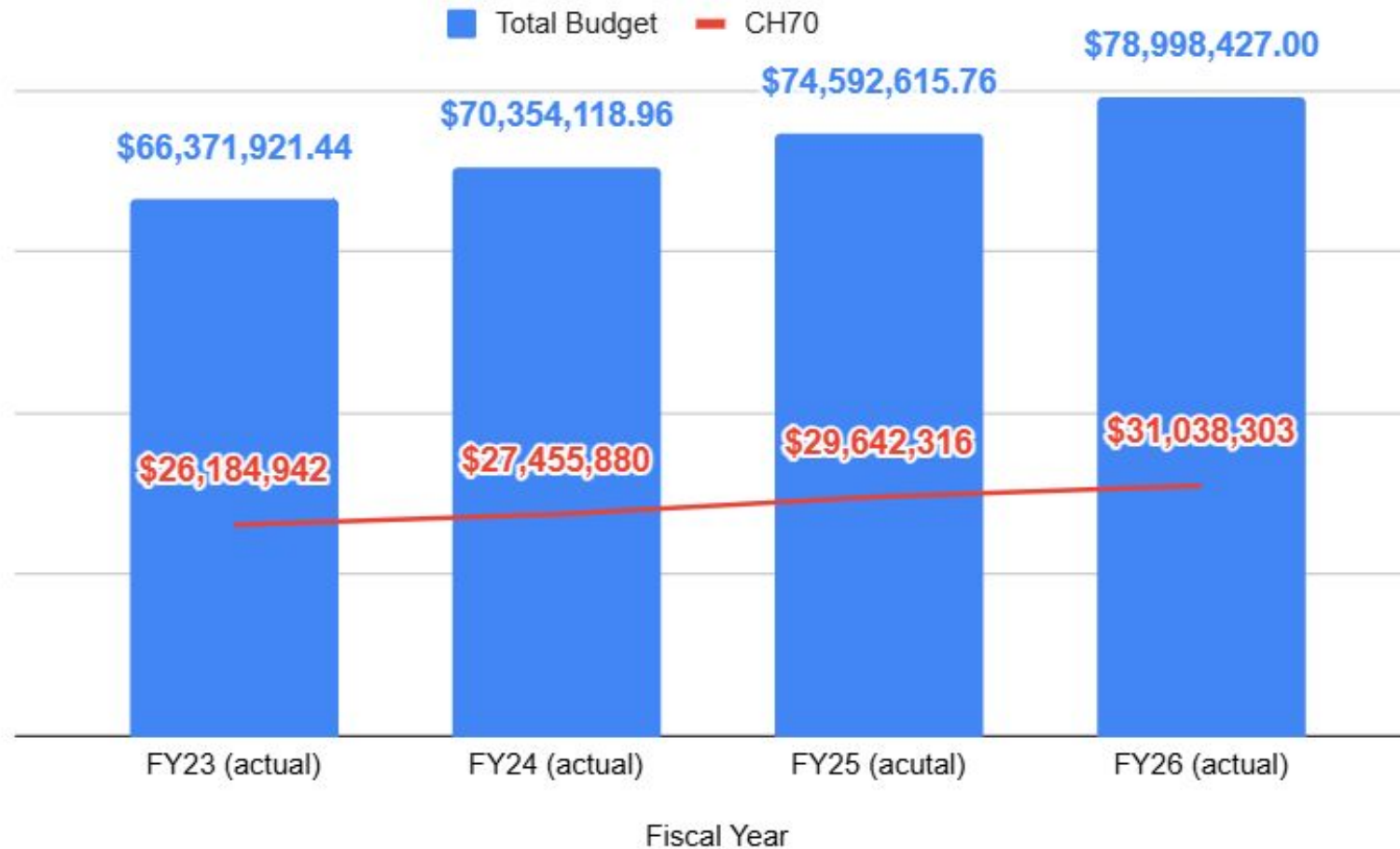


'Most challenging year': Large numi



Where does SPS funding come from?

SPS Budget Appropriation & CH70



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

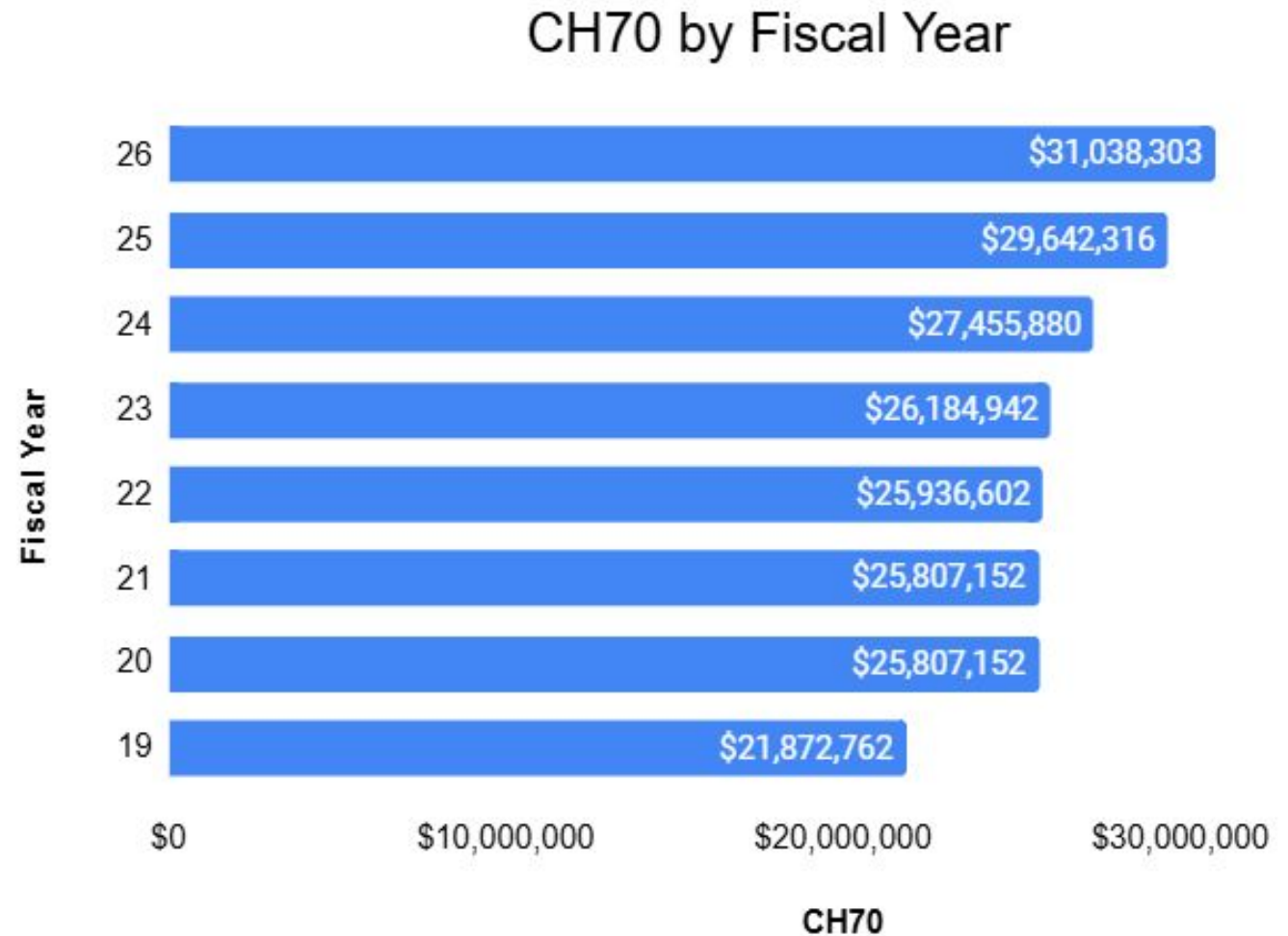
- Maximum local contribution is 82.5%
- For the 26 Gateway cities, target local share ranges from 14.93% (Springfield) to Barnstable & Quincy (82.50%)
- Salem's target local share is 71.46% (185% of the average)
 - 10% decline in target state aid share in the last three years

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:

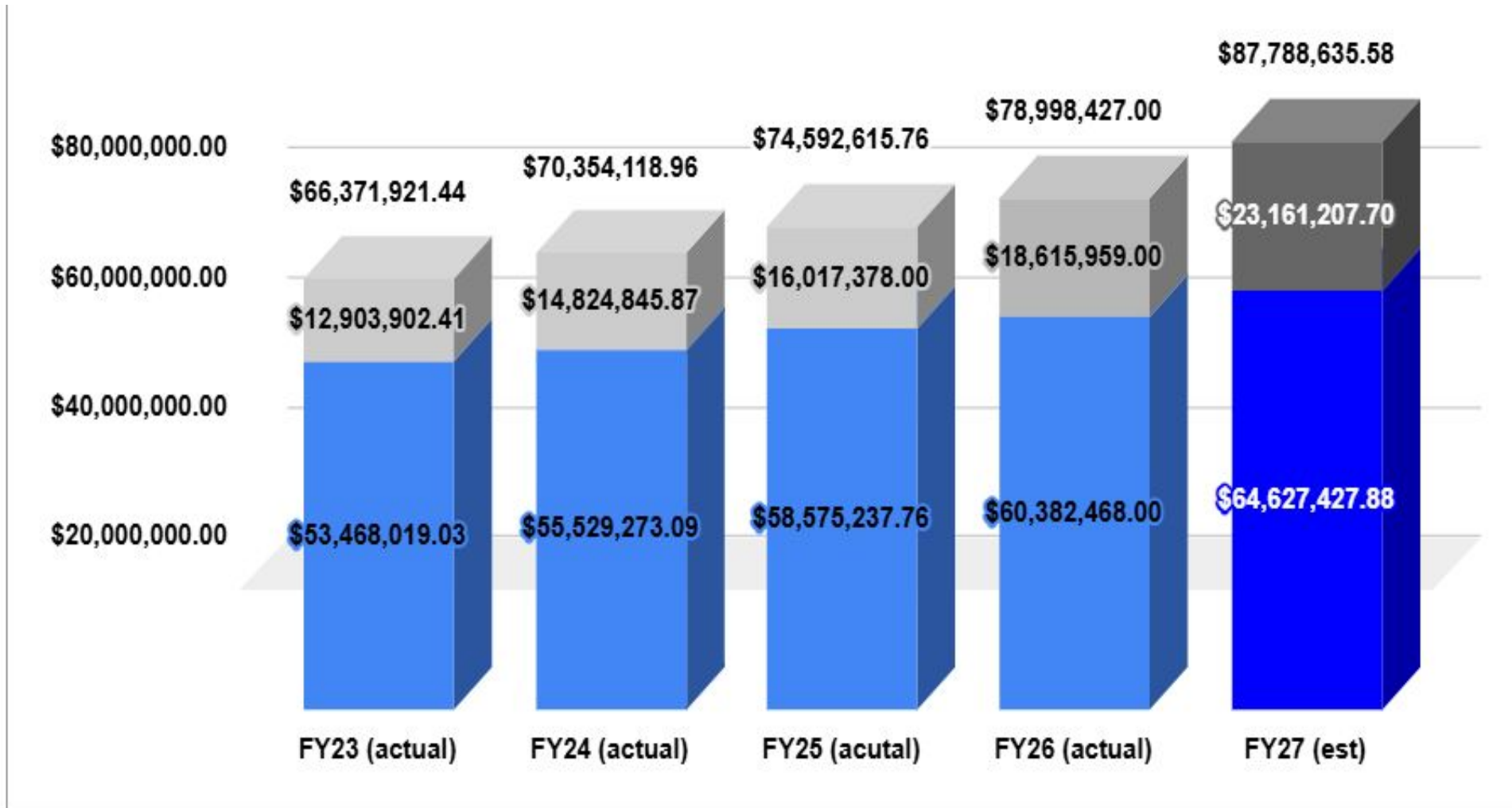
- STU, PSRP, SAA salaries
- 3.5% increases to most non-personnel lines
- Budget increase will be consistent with budget increases in FY25 & FY26

What we don't yet know:

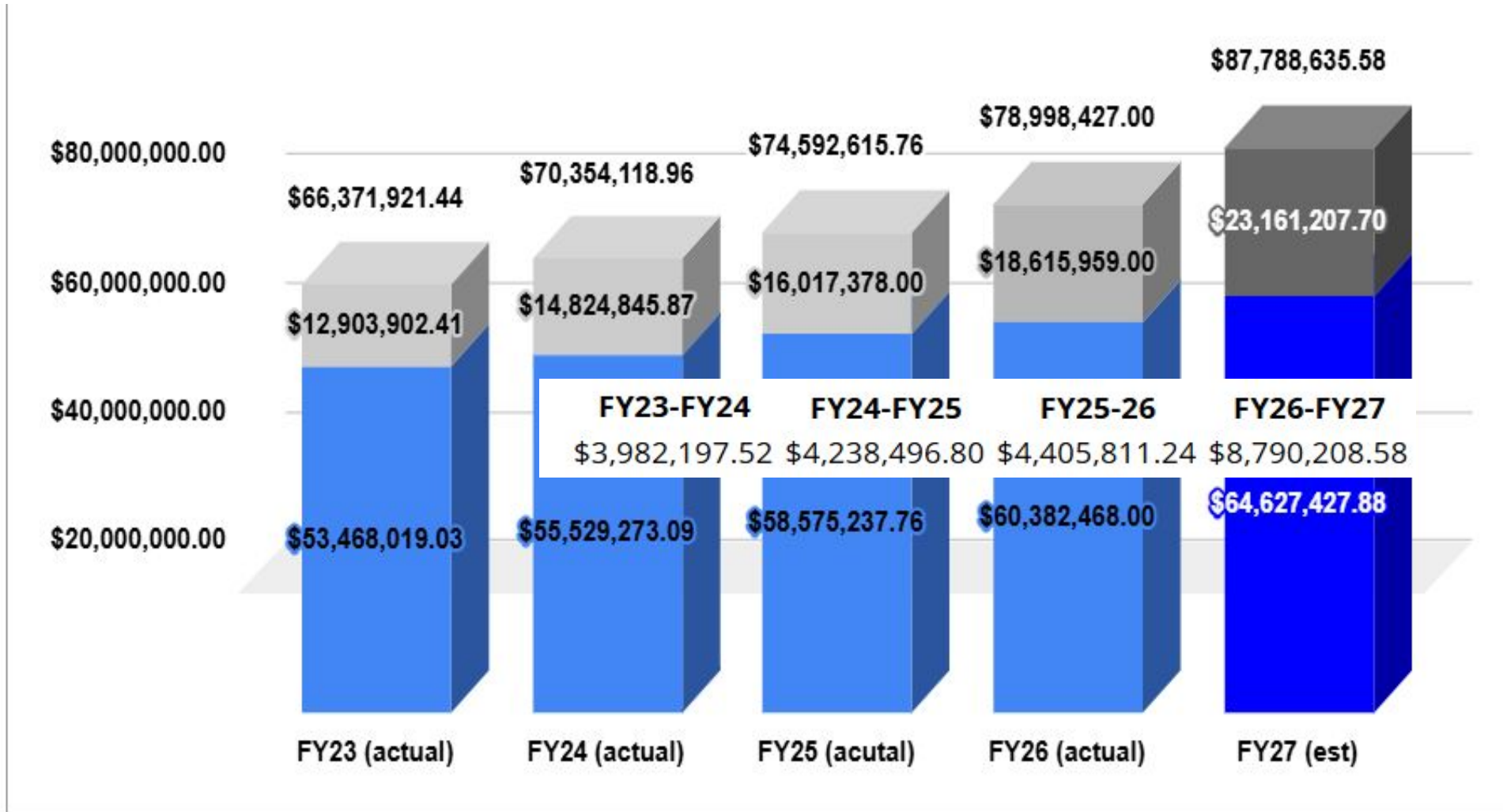
- CH70 for FY27 (January)
- AFSCME salaries (negotiations this year)
- Increases to major cost drivers:
 - Special Education OOD tuition
 - Transportation– Regular Day & Homeless
- What shifts/expansion will be needed for Special Education
- Federal funding changes
- Inflation/cost increases



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

