



School Committee Meeting

Budget Update for FY23/24

March 9, 2023

***Prepared and Presented by Assistant Superintendent of Finance/CFO
Billie Jo Turner 978-735-7007***

AGENDA

- Budget Calendar Recap
- Budget Landscape
- Chapter 70 Increase
- Summary of Expected Offsets to Additional Funds
- FSF Pool Growth
- Summary of Impact to Schools
- Funding Workbook Explanation
- Breakdown of Weights
- Vetting
- Next Steps

Date	Event	Stakeholder/Audience	Coordina	Notes/Feedback	Follow Up
Dec - January	Leadership	Principals	COS	Draft projections of enrollment per school to share with principals	Waiting for SPED/ELL #s
Dec - January	Cabinet	Principals	N/A	Review and update guardrails and budget training calendars	Sent eail on 1/30 to finalize
December	Leadership	Principals	COS	Update on budget process	
1/4/2023	SC Meeting	SC/Public	CFO	SC: Savings and Reallocation Plan/Update on Budget Process/Foundation Budget: Four Year Review	
January	Administrative	Chiefs	CFO	Send out emails to prepare departmental budgets	
January	Leadership	Principals	CFO	Update on budget process	
1/18/2023	SC Meeting	SC/Public	CFO	SC: FY22/23 Quarter 2 Report: YTD, Revolving Acct Balance, Historical Comparison	
2/1/2023	SC Meeting	SC/Public	CFO	SC: Ch 70 Explanation; Update on Governor's Budget DELAYED ; Budget Sorted into FSF Pool & Central	
2/8/2023	Training	School Site Councils/Parents/Staff	CFO	Provide Training via Zoom: School Finance 101	
2/13/2023 - 3/5/23	Cabinet	Cabinet		Departmental Budget Drafts Due	
2/15/2023	SC Meeting	SC/Public	CFO	SC: Update on SBB pool, Weights, Baseline rules, guardrails, sample workbooks/Budget Adj proposal	
2/22/2023	Training	Councils/Parents/Staff	CFO	Provide Training via Zoom: Understanding Fair Student Funding	
February	Leadership	Principals	CFO/COS	Present Updates to Principals	
3/1/2023	SC Meeting	SC/Public	CFO	Schools & transition policies	
3/8/2023	Email Release	Principals	CFO	Tentative Date (due to late release of governor's numbers) of Release of School Allocations for Principals	
3/6/23 to 3/17/23	CFO	Principals	CFO	Budget Drop In with CFO (2023) or in person	
3/6/23 to 3/17/23	QIP Review	Principals	COS/CAO	QIP Review: LS, RD & LP Meet with Principals to review budget decisions/QIP for sign off	
3/15/2023	SC Meeting	SC/Public	CFO	TBD	
3/20/23 to 3/31/23	Mtgs	Principals	CFO/COO	Principals: Probable Orq Meetings with BJT and JH (review staff rosters and positions to post)	
2/27-3/10	Vetting	Central Office Staff	Chiefs	Vetting draft budgets with central office staff	
3/7/2023	Vetting	Staff	s	Weekly Budget Sessions for Staff for Vetting & Input	
3/13/2023	Cabinet	Roll Up Slide Deck	Supt/ CFO		
3/14/2023	Vetting	Principals	Supt/ CFO		
3/15/2023	Vetting	Assistant Principals	CSO		
3/14/2023	Vetting	Parents	s	Budget Sessions for Parents for Vetting & Input	
3/16/2023	Vetting	Staff	s	Weekly Budget Sessions for Staff for Vetting & Input	
3/21/2023	Vetting	Staff	s	Weekly Budget Sessions for Staff for Vetting & Input	
3/23/2023	Vetting	Community Partners	s	Vetting of Budget Decisions to Date	
4/5/2023	SC Meeting	SC/Public	CFO	??	
4/19/2023	SC Meeting	SC/Public	CFO	Current Yr Budget Update and FY24 Update	
April TBD	Meeting/Sub	Subcommittee	CFO	Finance Subcommittee	
4/29/2023	Vetting	Community, Parents and Staff	CFO	In Person Budget Presentation	
March	Leadership	Principals	CFO		
April TBD	Vetting	Students	CFO/Supt	Presentation to Students	
5/3/2023	Presentation	SC/Public	CFO		
5/4/2023	Hearing	SC/Public			
5/10/2023	Hearing	SC/Public	CFO		
5/17/2023	Adoption	School Committee/Public	CFO		

The Budget Landscape includes funding sources including state/local aid, grants and offsets using revolving accounts. Our budget must be built using preliminary numbers for state aid and estimates for grants since the allocations are not released until the summer.

LPS FY23 Total Budget Landscape

Essex \$58,087,494 Total

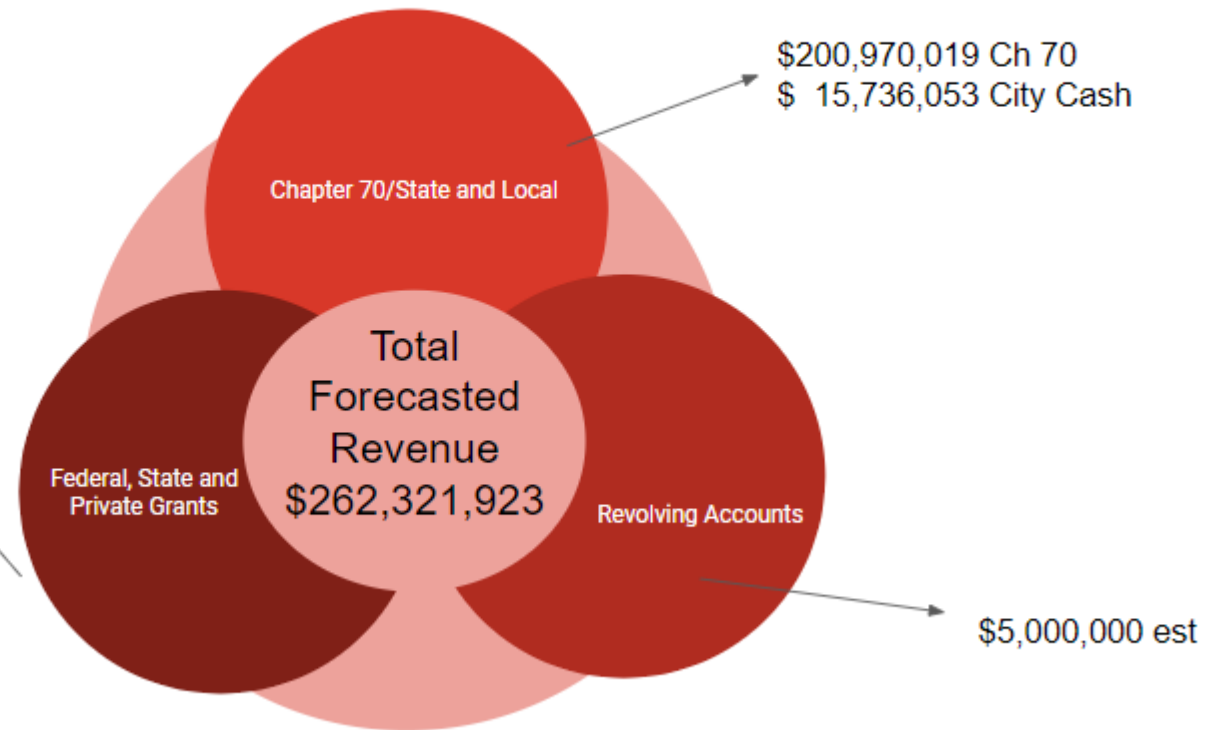
Year 1 = \$9.3 million

Year 2 = \$29 million

Year 3 = \$19.6 million

Other grants \$11,534,664

Total Grants = \$40,615,851



Massachusetts Department of Elementary and Secondary Education
 FY24 Chapter 70 Summary



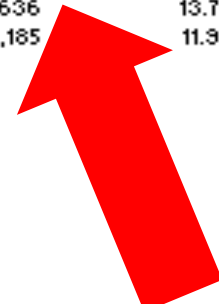
160 Lowell

Aid Calculation FY24

Prior Year Aid	
1 Chapter 70 FY23	200,970,019
Foundation Aid	
2 Foundation budget FY24	288,791,630
3 Required district contribution FY24	60,097,975
4 Foundation aid (2 -3)	228,693,655
5 Increase over FY23 (4 - 1)	27,723,636
Minimum Aid	
6 Minimum \$30 per pupil increase	489,630
7 Minimum aid amount (if line 6 - line 5 > 0, then line 6 - line 5, otherwise 0)	0
Subtotal	
8 Sum of 1,5,7	228,693,655
Minimum Aid Adjustment	
9 Minimum aid adjustment	201,459,709
10 Aid adjustment increment (if line 9 - line 8 > 0, then line 9 - line 8, otherwise 0)	0
Non-Operating District Reduction to Foundation	
11 Reduction to foundation	0
FY24 Chapter 70 Aid	
12 Sum of 1,5,7,10 minus 11	228,693,655

Comparison to FY23

	FY23	FY24	Change	Pct Chg
Enrollment	16,103	16,323	220	1.37%
Foundation budget	257,876,445	288,791,630	30,915,185	11.99%
Required district contribution	56,906,426	60,097,975	3,191,549	5.61%
Chapter 70 aid	200,970,019	228,693,655	27,723,636	13.79%
Required net school spending (NSS)	257,876,445	288,791,630	30,915,185	11.99%
Target aid share	74.16%	74.16%		
C70 % of foundation	77.93%	79.19%		
Required NSS % of foundation	100.00%	100.00%		



INCREASE OF \$30 million



Note on Minimum Aid Adjustment on lines 9 and 10:

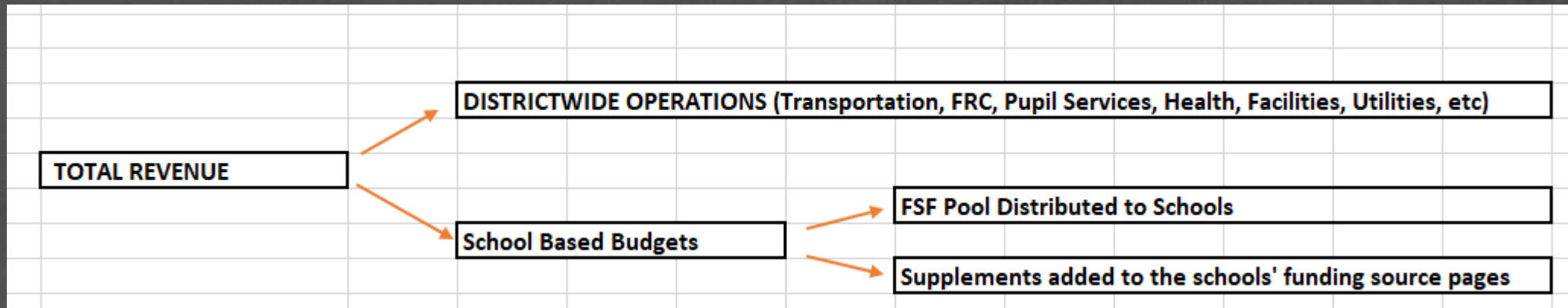
The minimum aid adjustment is the sum of (a) the greater of foundation aid or base aid determined based on the FY21 base and incremental rates, inflated to FY24, and (b) foundation enrollment multiplied by \$30. The aid adjustment increment (line 10) is the line 9 amount less the line 8 amount if the difference is positive. Otherwise, the increment is zero.

Summary of Projected Revenue and Expenditure Changes for FY23/24

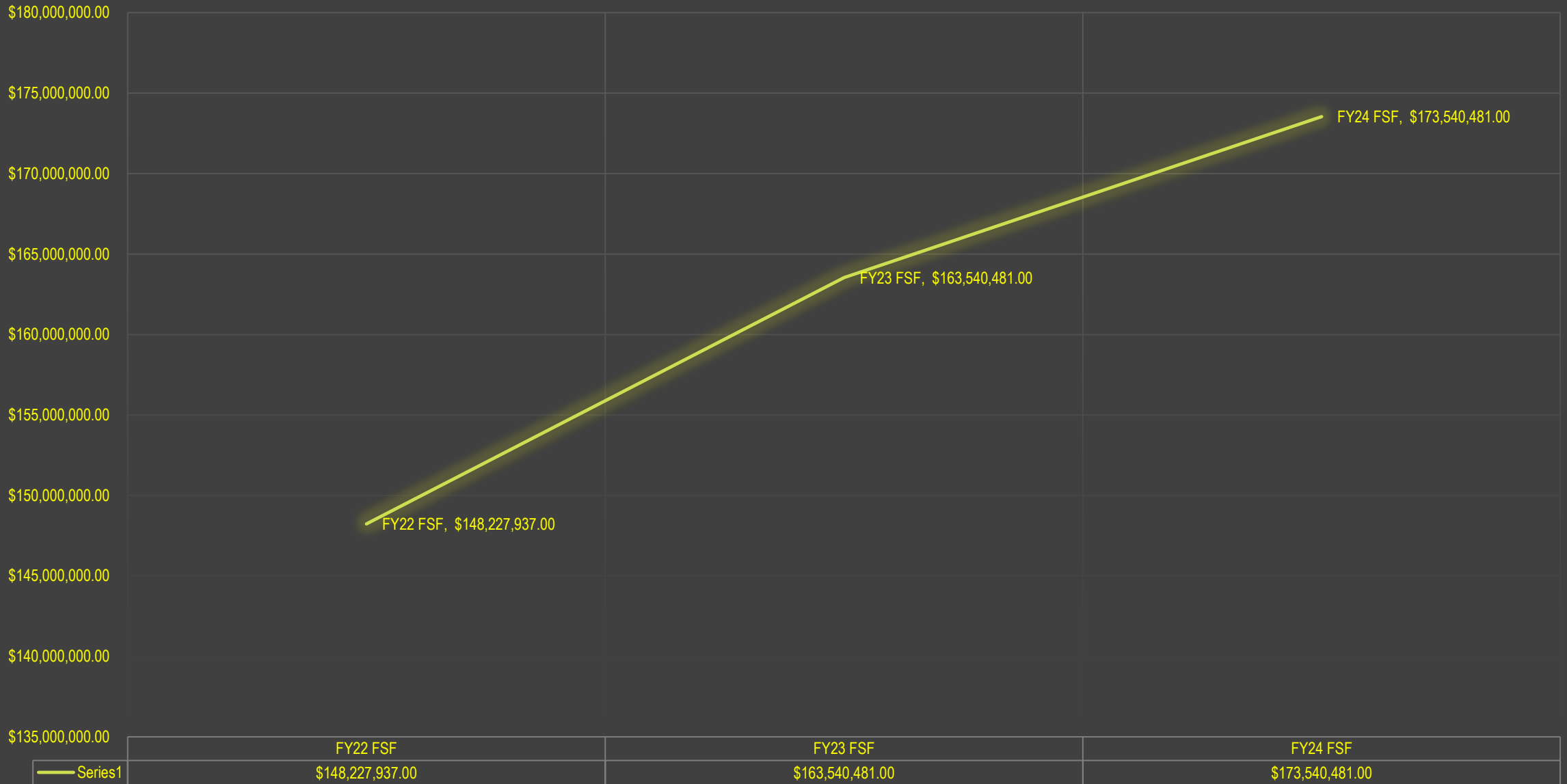
Estimated Student Opportunity Act Increase:	\$	27,723,636.00		
Contractually Obligated:				
FSF Pool Increase	\$	(10,000,000.00)		
Staff Cost Increases	\$	(11,500,000.00)		
Strategic Investments	\$	(1,500,000.00)		
Transportation Rate Increases	\$	(600,000.00)		
Homeless Trans Increase	\$	(400,000.00)		
Sick Leave Buy Back Increase	\$	(500,000.00)		
Copier Investments	\$	(250,000.00)		
Health Insurance Increases	\$	(1,300,000.00)		
Lease Increases	\$	(312,500.00)		
After Dark/Early Promise	\$	(442,000.00)		
OOD Rate Increases	\$	(919,136.00)		
	\$	(27,723,636.00)		
Remaining Flexibility	\$	-		

Increases to Budget are Often Quickly Depleted Due to Contractual Increases and Staff Costs Increases.

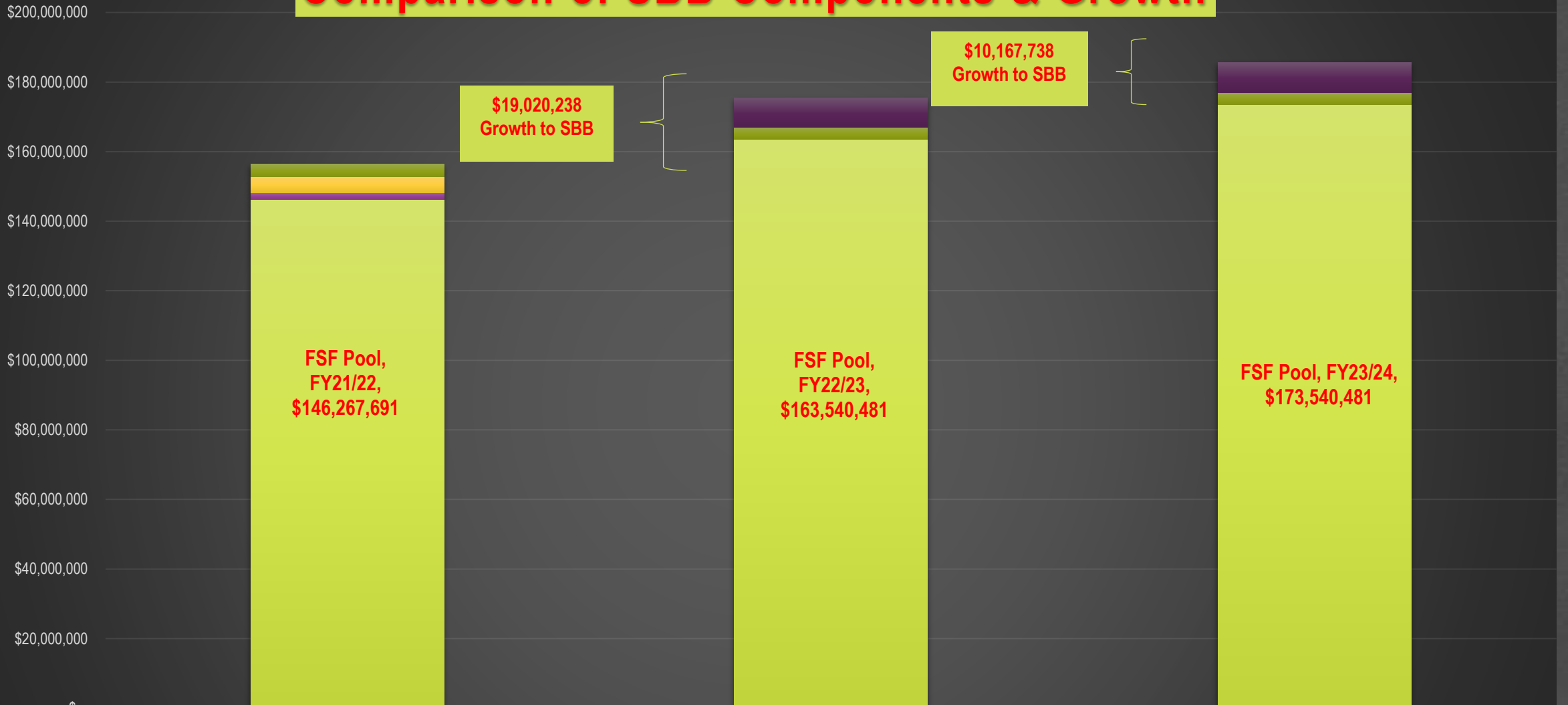
Determine the School Based Budget amount including the FSF pool and supplements (Subcommittee)



FSF Growth FY22 to FY24



Comparison of SBB Components & Growth



	FY21/22	FY22/23	FY23/24
Supplements		\$8,392,000	\$8,559,738
Outside of FSF	\$3,568,572	\$3,451,020	\$3,451,020
Title I	\$4,527,000		
ESSER	\$2,000,000		
FSF Pool	\$146,267,691	\$163,540,481	\$173,540,481

■ FSF Pool ■ ESSER ■ Title I ■ Outside of FSF ■ Supplements

SUMMARY OF IMPACT TO SCHOOLS AFTER FSF INCREASE

	FY23 FSF Pool	Out of Pool	Coach Supplement	FY 23 Total B4 Supplements	Supplement Totals	FY23 Totals	FY24 FSF POOL Increase by \$10 million	Change
CENTRAL OFFICE POOL							\$ 539,107.00	\$ 539,107.00
Bailey	\$ 5,391,395.00	\$ 30,240.00	\$ 120,000.00	\$ 5,541,635.00	\$ 237,200.00	\$ 5,778,835.00	\$ 5,607,823.00	\$ 216,428.00
Bartlett	\$ 6,055,328.00	\$ 60,480.00	\$ 120,000.00	\$ 6,235,808.00	\$ 441,858.00	\$ 6,677,666.00	\$ 6,648,786.00	\$ 593,458.00
Butler	\$ 5,556,160.00	\$ 60,480.00	\$ 120,000.00	\$ 5,736,640.00	\$ 469,823.00	\$ 6,206,463.00	\$ 5,556,160.00	\$ -
Daley	\$ 6,811,460.00	\$ 60,480.00	\$ 120,000.00	\$ 6,991,940.00	\$ 237,200.00	\$ 7,229,140.00	\$ 7,706,471.00	\$ 895,011.00
Greenhalge	\$ 5,776,213.00	\$ 30,240.00	\$ 120,000.00	\$ 5,926,453.00	\$ 432,536.00	\$ 6,358,989.00	\$ 6,216,378.00	\$ 440,165.00
Lincoln	\$ 5,396,404.00	\$ 30,240.00	\$ 120,000.00	\$ 5,546,644.00	\$ 237,200.00	\$ 5,783,844.00	\$ 5,621,807.00	\$ 225,403.00
McAuliffe	\$ 5,385,990.00	\$ 30,240.00	\$ 120,000.00	\$ 5,536,230.00	\$ 237,200.00	\$ 5,773,430.00	\$ 5,600,195.00	\$ 214,205.00
McAvinnue	\$ 5,450,187.00	\$ 30,240.00	\$ 120,000.00	\$ 5,600,427.00	\$ 237,200.00	\$ 5,837,627.00	\$ 5,528,997.00	\$ 78,810.00
Moody	\$ 3,199,628.00	\$ 30,240.00	\$ -	\$ 3,229,868.00	\$ 237,200.00	\$ 3,467,068.00	\$ 3,199,628.00	\$ -
Morey	\$ 5,338,551.00	\$ 30,240.00	\$ 120,000.00	\$ 5,488,791.00	\$ 237,200.00	\$ 5,725,991.00	\$ 5,646,918.00	\$ 308,367.00
Murkland	\$ 5,420,703.00	\$ 30,240.00	\$ 120,000.00	\$ 5,570,943.00	\$ 237,200.00	\$ 5,808,143.00	\$ 5,420,703.00	\$ -
Pawtucketville	\$ 5,395,318.00	\$ 30,240.00	\$ 120,000.00	\$ 5,545,558.00	\$ 237,200.00	\$ 5,782,758.00	\$ 5,762,399.00	\$ 367,081.00
Pyne Arts Magnet	\$ 5,692,123.00	\$ 30,240.00	\$ 120,000.00	\$ 5,842,363.00	\$ 237,200.00	\$ 6,079,563.00	\$ 6,085,430.00	\$ 393,307.00
Reilly	\$ 5,432,215.00	\$ 30,240.00	\$ 120,000.00	\$ 5,582,455.00	\$ 237,200.00	\$ 5,819,655.00	\$ 5,791,745.00	\$ 359,530.00
Robinson	\$ 6,636,737.00	\$ 60,480.00	\$ 120,000.00	\$ 6,817,217.00	\$ 509,229.00	\$ 7,326,446.00	\$ 7,299,395.00	\$ 662,658.00
Rogers (Stem)	\$ 9,012,030.00	\$ 60,480.00	\$ 240,000.00	\$ 9,312,510.00	\$ 424,400.00	\$ 9,736,910.00	\$ 9,485,305.00	\$ 473,275.00
Shaughnessy	\$ 5,506,055.00	\$ 30,240.00	\$ 120,000.00	\$ 5,656,295.00	\$ 237,200.00	\$ 5,893,495.00	\$ 6,244,823.00	\$ 738,768.00
Stoklosa	\$ 6,362,160.00	\$ 60,480.00	\$ 120,000.00	\$ 6,542,640.00	\$ 513,467.00	\$ 7,056,107.00	\$ 6,892,687.00	\$ 530,527.00
Sullivan	\$ 6,945,484.00	\$ 30,240.00	\$ 120,000.00	\$ 7,095,724.00	\$ 506,687.00	\$ 7,602,411.00	\$ 6,945,484.00	\$ -
Wang	\$ 6,304,033.00	\$ 30,240.00	\$ 120,000.00	\$ 6,454,273.00	\$ 237,200.00	\$ 6,691,473.00	\$ 7,123,888.00	\$ 819,855.00
Washington	\$ 3,564,140.00	\$ -	\$ -	\$ 3,564,140.00	\$ 237,200.00	\$ 3,801,340.00	\$ 3,564,140.00	\$ -
Lowell High School	\$ 32,080,668.00	\$ 144,780.00	\$ 120,000.00	\$ 32,345,448.00	\$ 986,000.00	\$ 33,331,448.00	\$ 34,039,744.00	\$ 1,959,076.00
Adie Day	\$ 2,869,567.00	\$ -	\$ -	\$ 2,869,567.00	\$ 63,000.00	\$ 2,932,567.00	\$ 2,869,567.00	\$ -
Leblanc	\$ 1,510,643.00	\$ -	\$ -	\$ 1,510,643.00	\$ 84,541.00	\$ 1,595,184.00	\$ 1,510,643.00	\$ -
Laura Lee	\$ 1,306,732.00	\$ -	\$ -	\$ 1,306,732.00	\$ 96,000.00	\$ 1,402,732.00	\$ 1,306,732.00	\$ -
Cardinal	\$ 2,031,413.00	\$ -	\$ -	\$ 2,031,413.00	\$ -	\$ 2,031,413.00	\$ 2,216,382.00	\$ 184,969.00
Career Academy	\$ 1,675,819.00	\$ -	\$ -	\$ 1,675,819.00	\$ 172,009.00	\$ 1,847,828.00	\$ 1,675,819.00	\$ -
Bridge	\$ 1,433,325.00	\$ -	\$ -	\$ 1,433,325.00	\$ 89,789.00	\$ 1,523,114.00	\$ 1,433,325.00	\$ -
	\$ 163,540,481.00	\$ 931,020.00	\$ 2,520,000.00	\$ 166,991,501.00	\$ 8,392,000.00	\$ 175,383,501.00	\$ 173,540,481.00	\$ 10,000,000.00

School Year 21-22 Budget			
Category	Student Weight	Amount	
<i>FSF Weights</i>			
All students	549	\$5,300	\$2,909,700
Economically disadvantaged	354	\$1,875	\$656,865
Homeless	25	\$1,102	\$27,560
Low incoming performance	25	\$1,060	\$31,594
Grades PreK-3	0	\$1,855	\$0
Grade 9	0	\$4,000	\$0
ELL below baseline	30	\$3,000	\$90,720
ELL Level 1 and above	54	\$1,500	\$80,640
SWD substantially separated	15	\$23,000	\$345,000
SWD inclusion/language	106	\$6,500	\$689,000
<i>FSF Baseline</i>			
ELL Baseline			\$0
SWD Baseline			\$0
General Ed Baseline			\$0
<i>Other FSF Policies</i>			
Transition amount			\$196,941
Budget Exception			\$0
FSF Total			\$5,028,020
<i>Funding from outside FSF</i>			
Title I		\$	198,425
Other positions provided outside of FSF		\$	148,549
ESSER II Supplement		\$	67,679
Total funding			\$5,442,673

EQUITY THROUGH WEIGHTS

Stability through baseline and transition policies

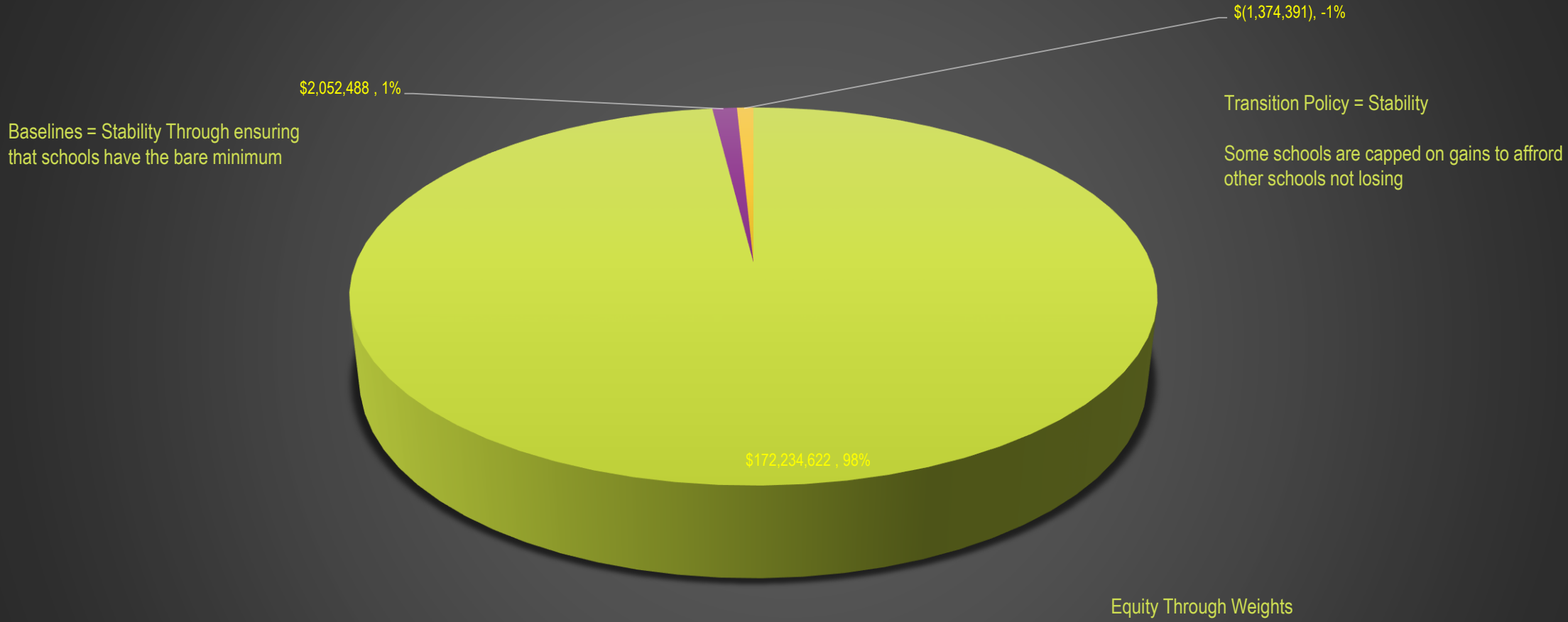
Comparison to previous year budget			
Year	SY20-21*	SY21-22	Projected Change
Enrollment	571	549	-22
FSF Budget	\$5,028,020	\$5,028,020	\$0
Other Funding	\$346,974	\$414,653	\$67,679
Total Budget	\$5,374,993	\$5,442,673	\$67,679
\$ per pupil	\$9,413	\$9,914	\$500

Note: Total budget above is not exhaustive. E.g., excludes psychologists, speech therapists, occupational therapists, ELL and STEM lead teachers, depends, 504 & 1-to-1 paraprofessionals
 *Prior year adjusted to reflect salary increases occurred in SY20-21

TRANSPARENCY

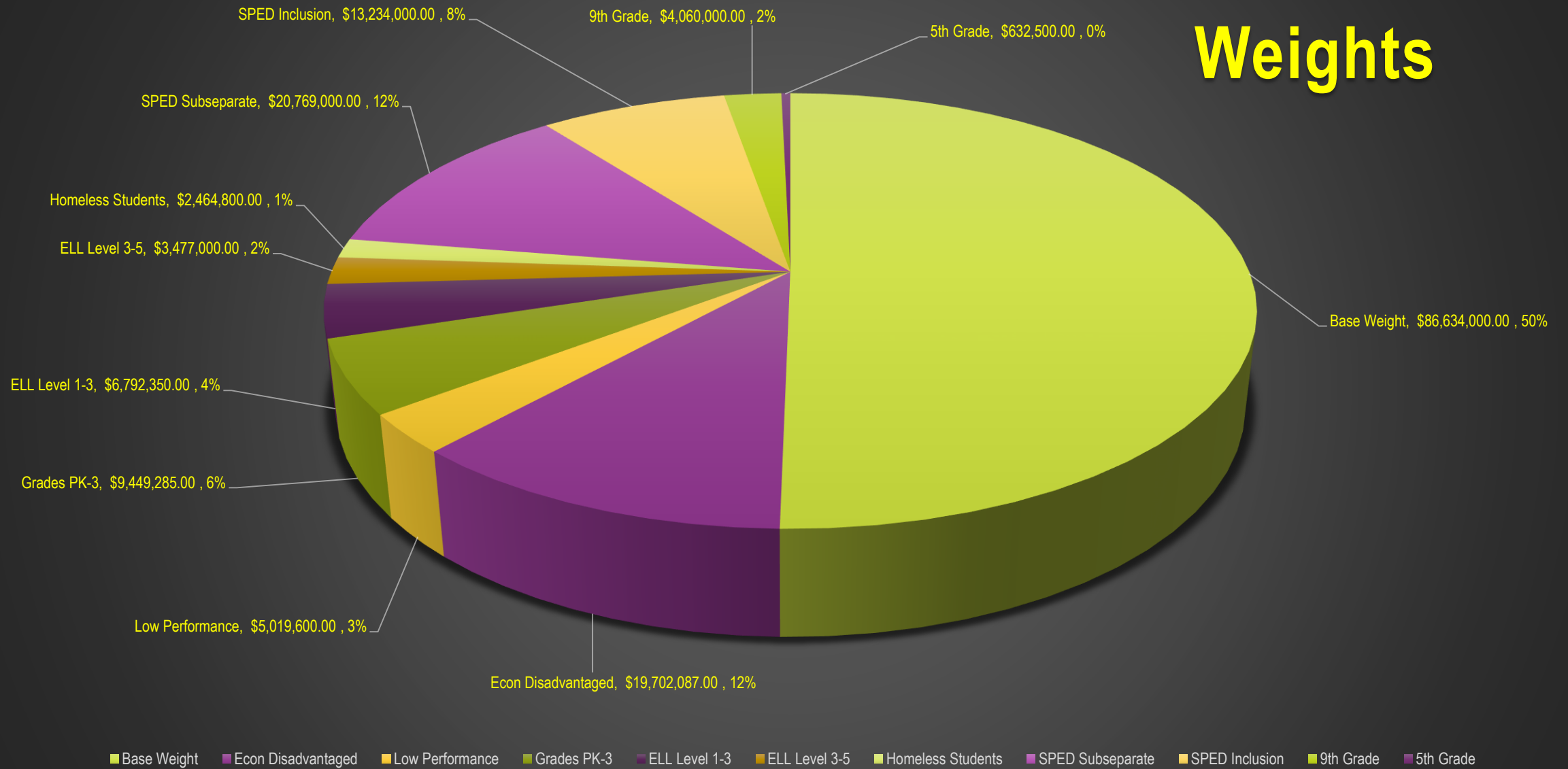
Recap: We determine the SBB amount then use weights and baselines to determine initial amts for each school. We review to ensure there are no large swings and develop transition policies if so. Each school gets a funding summary shown here to clearly explain how their allocation was determined. Workbooks were released to schools on 3/8

Breakdown of FSF Pool



■ Weights (Equity) ■ Baselines (Stability) ■ Transition Policy (Stability)

Weights



VETTING

The schools use the **Guardrails** to guide them. Budget decisions are vetted through the following steps:

- School site council process
- Presentation to Central Office
- Teacher forums
- Parent forums
- Community forums
- Student forums
- Finance subcommittee meetings
- School Committee presentations
- Public budget hearings

Budget Calendar

January

Update CBA, health and other contractual known increases (Due to negotiations, CBA raises are unknown and placeholders must be maintained)

Wait for Governor's Numbers (DELAYED until MARCH due to new Governor)

Review grants and revolving account balances to determine a tentative overall budget amount to start process with

February

Due to delay in Governor's budget, Chapter 70 numbers must be projected by estimating enrollment increases using 10/1 SIMS data and projections on SPED and EL student counts.

Update with programmatic changes

Determine a proposed SBB amount including FSF pool and supplements

Build School Site Budgets using estimated revenue and enrollment figures

Make decisions on weights, baselines and transition policies

March

Budget summits are held to update School Site Councils on the budget process.

After SC approves the SBB amount for schools in March, we distribute the SBB amount to schools using weights, baselines and transition policies.

On March 8th, we release allocations and workbooks to schools

Schools work with School Site Councils from March 8th to March 22nd to translate QIP into fiscal plan

March 22 - April 1st

Schools present their budget to central office team to ensure that all curriculum, regulations, guardrails, finances and grant criteria have been met.

April/May

After each school's budget has been approved, all budgets are merged into overall budget document to ensure balancing.

During April, forums are held to share the draft overall comprehensive plan/budget with the parents, teachers, community and partners.

May 3rd - budget is presented to SC in final draft format

Public hearings are held

May 17th- anticipated day of approval

Shared with City Council for approval