



To: Liam Skinner, Superintendent
From: Billie Jo Turner, Assistant Superintendent of Finance/CFO
RE: FY24/25 Budget – Preliminary Revenue and Next Steps
Date: January 30, 2024

On January 24th, Governor Healey’s FY2025 budget recommendations were released. These numbers recommend funding the state budget \$263 million higher than last year which is an 4% increase. Based on the attached foundation budget summary, Lowell Public Schools’ Chapter 70 will increase from \$229,138,873 to \$243,260,953. This is a \$14,122,080 increase to Chapter 70. In addition, the required minimum contribution from the City also increased by over \$4 million. These are preliminary estimates that may change as the House and Senate deliberate on the budget. We have been advised to construct our local budgets with sufficient flexibility to accommodate the changes that may occur during the state budget process. The Commissioner will issue the official school spending requirements/budget when the Governor and Legislature approve the FY25 state budget.

Please note that we have over \$28 million earmarked for ESSER spending for FY23/24. These funds expire this year so our funding revenue stream will decrease significantly. The \$14 million increased CH 70 funds (due to SOA) will help offset the effect of the funding cliff and contractual increases.

Massachusetts Department of Elementary and Secondary Education

FY25 Chapter 70 Summary



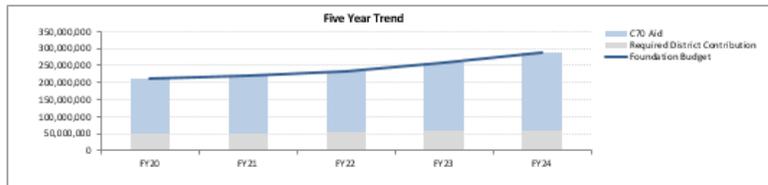
160 Lowell

Aid Calculation FY25

Comparison to FY24

| | | FY24 | FY25 | Change | Pct Chg |
|--------------------------------------------------------------------------------------------|-------------|-------------|-------------|------------|---------|
| Prior Year Aid | | | | | |
| 1 Chapter 70 FY24 | 229,138,873 | | | | |
| Foundation Aid | | | | | |
| 2 Foundation budget FY25 | 307,801,485 | 288,791,630 | 307,801,485 | 19,009,856 | 6.58% |
| 3 Required district contribution FY25 | 64,985,750 | 60,097,975 | 64,985,750 | 4,887,775 | 8.13% |
| 4 Foundation aid (2-3) | 242,815,735 | 229,138,873 | 243,260,953 | 14,122,080 | 6.16% |
| 5 Increase over FY24 (4 - 1) | 13,676,862 | | | | |
| Minimum Aid | | | | | |
| 6 Minimum \$30 per pupil increase | 495,120 | | | | |
| 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 | 242,815,735 | | | | |
| Minimum Aid Adjustment | | | | | |
| 9 Minimum aid adjustment | 230,079,211 | | | | |
| 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 | | | | |
| Hold Harmless Aid | | | | | |
| 12 Hold harmless aid | 445,218 | | | | |
| FY25 Chapter 70 Aid | | | | | |
| 13 Sum of 1,5,7,10, 12 minus 11 | 243,260,953 | | | | |

| | FY24 | FY25 | Change | Pct Chg |
|------------------------------------|-------------|-------------|------------|---------|
| Enrollment | 16,323 | 16,504 | 181 | 1.1% |
| Foundation budget | 288,791,630 | 307,801,485 | 19,009,856 | 6.58% |
| Required district contribution | 60,097,975 | 64,985,750 | 4,887,775 | 8.13% |
| Chapter 70 aid | 229,138,873 | 243,260,953 | 14,122,080 | 6.16% |
| Required net school spending (NSS) | 289,236,848 | 308,246,703 | 19,009,855 | 6.57% |
| Target aid share | 74.16% | 74.71% | | |
| C70 % of foundation | 79.34% | 79.03% | | |
| Required NSS % of foundation | 100.15% | 100.14% | | |



Budget calendar – Next Steps

| | |
|--------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| December – January | Enrollment projections are created for all students, EL and SPED populations by school. These are shared with principals for feedback. School site council meetings begin working on budget. |
| January | Technical preparation for the budget is done during January. This includes replicating all the docs that are needed for fair student funding, updating for new year, determining FSF pool, weights, limits, etc.; Governors budget is released |
| February | Prepare workbooks and update contractual increases |
| March | Release workbooks; schools translate priorities into fiscal budget; schools present to central office team to make sure all guardrails were met |
| April | Roll school budgets into main budget; reconcile; vet with parents, staff and community |
| May | Present to School Committee for approval |
| June | Presented to City Council |