



Worcester Public Schools

FY23 Preliminary Budget Estimates

Report of the Superintendent
February 3, 2022

From Here, *Anywhere!*

FY23 Major Budget Themes



Enrollment Decline

Continued enrollment decline primarily at elementary and Head Start levels



Inflation Rate

Modest foundation inflation rate but capped at 4.5% by state statute



Student Opportunity Act

Second Year of Six-Year Phase-in of SOA

FY23 funds new positions and programs added this year



ESSER Funds & Hold Harmless

- Hold Harmless \$7.4 million from ESSER I move to general fund.
- ESSER II & III continues with SOA bridge funds, expanded summer and afterschool funds, technology, maintenance, & HVAC upgrades

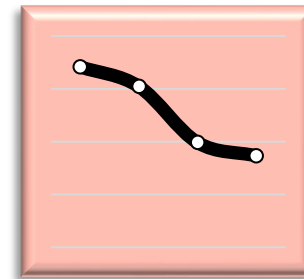


New Staffing & Resource Needs

Annual Budget Adjustment for new positions and spending needs



WORCESTER PUBLIC SCHOOLS



-251 students from
last year **(-1.0%)**

10/1/21: 23,735
10/1/19: 25,044



-287
(-2.3%)

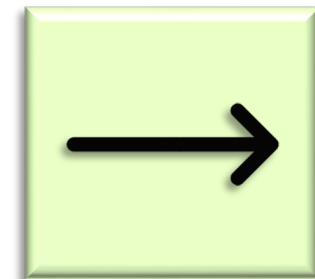
At K-6 Level



-115
(-36%)

At Head Start Level.

Other Pre-K increased
143 students
(+30%)



+8

Grades 7-12 level

Student Enrollment

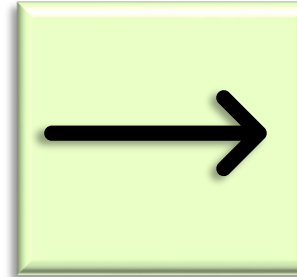
Student Enrollment is major factor of Foundation Budget calculation for a school district.



Student Enrollment

Foundation budgets declined for 151 of 317 operating districts. Boston, Springfield, and Worcester had enrollment declines of 3,271 students.

STATE ENROLLMENT



+64 students from last year (out of 911,529 students)

10/1/21: 911,529
10/1/19: 948,828



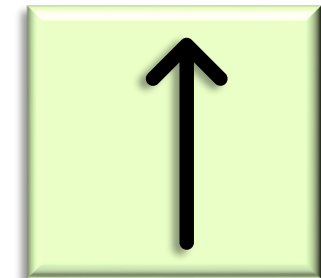
-1,977
(-0.4%)

At K-6 Level



+6,538
(31%)

At Pre-K level



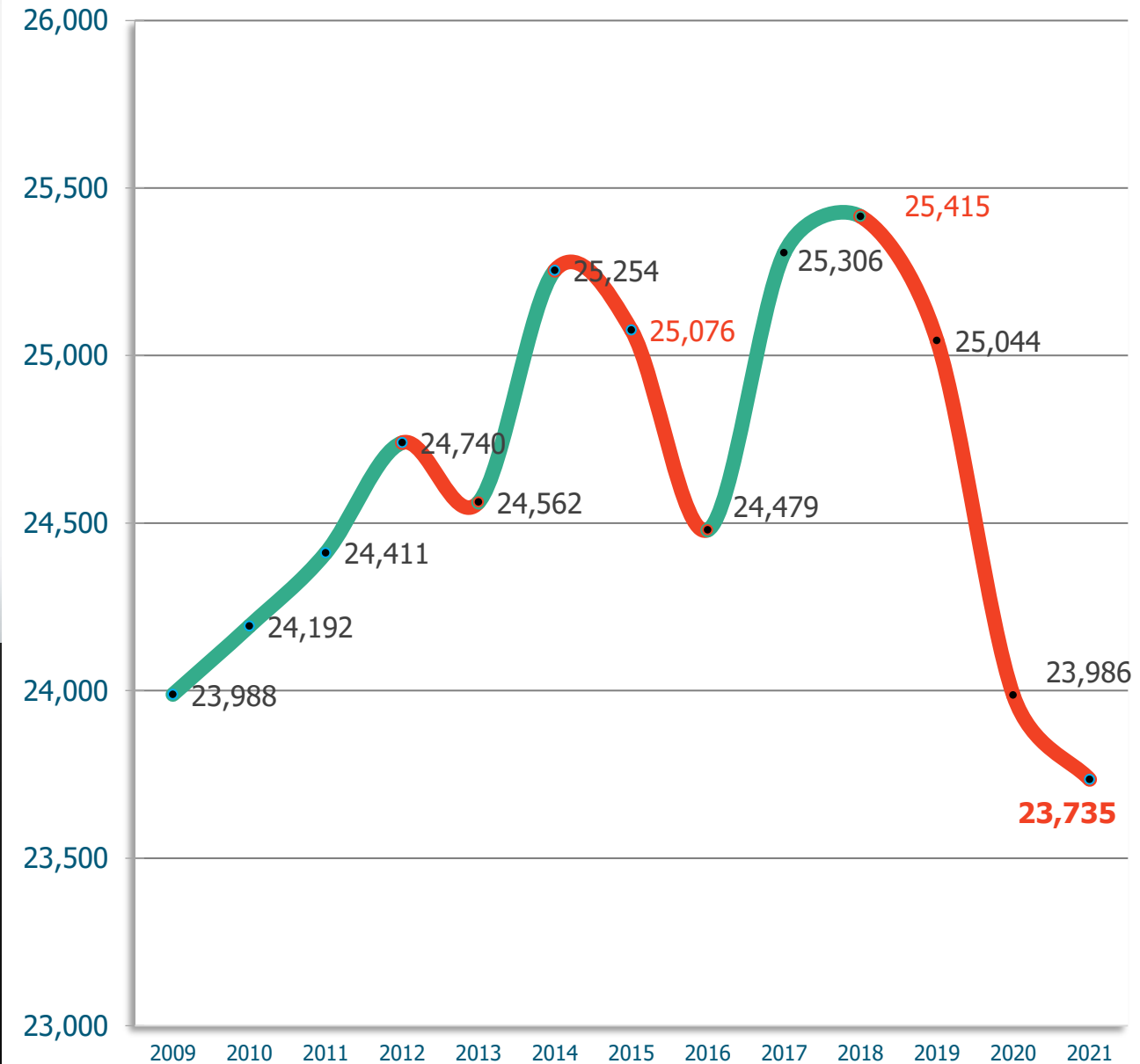
+4,497
(1.0%)

Grades 7-12 level



Student Enrollment

Worcester Public Schools
District-Level Enrollment Data



Note: Chart not scaled to zero to show enrollment trend detail

From Here, Anywhere!



Enrollment Change by Grade Level October 1 Enrollments 2020 and 2021

Level	2020	2021	Change	%
PK-6	12,831	12,687	-144	-1.1%
Middle School	3,260	3,269	9	0.3%
High School	7,576	7,575	-1	0.0%
Head Start	<u>319</u>	<u>204</u>	<u>-115</u>	<u>-36.1%</u>
TOTAL	23,986	23,735	-251	-1.0%

Student Enrollment

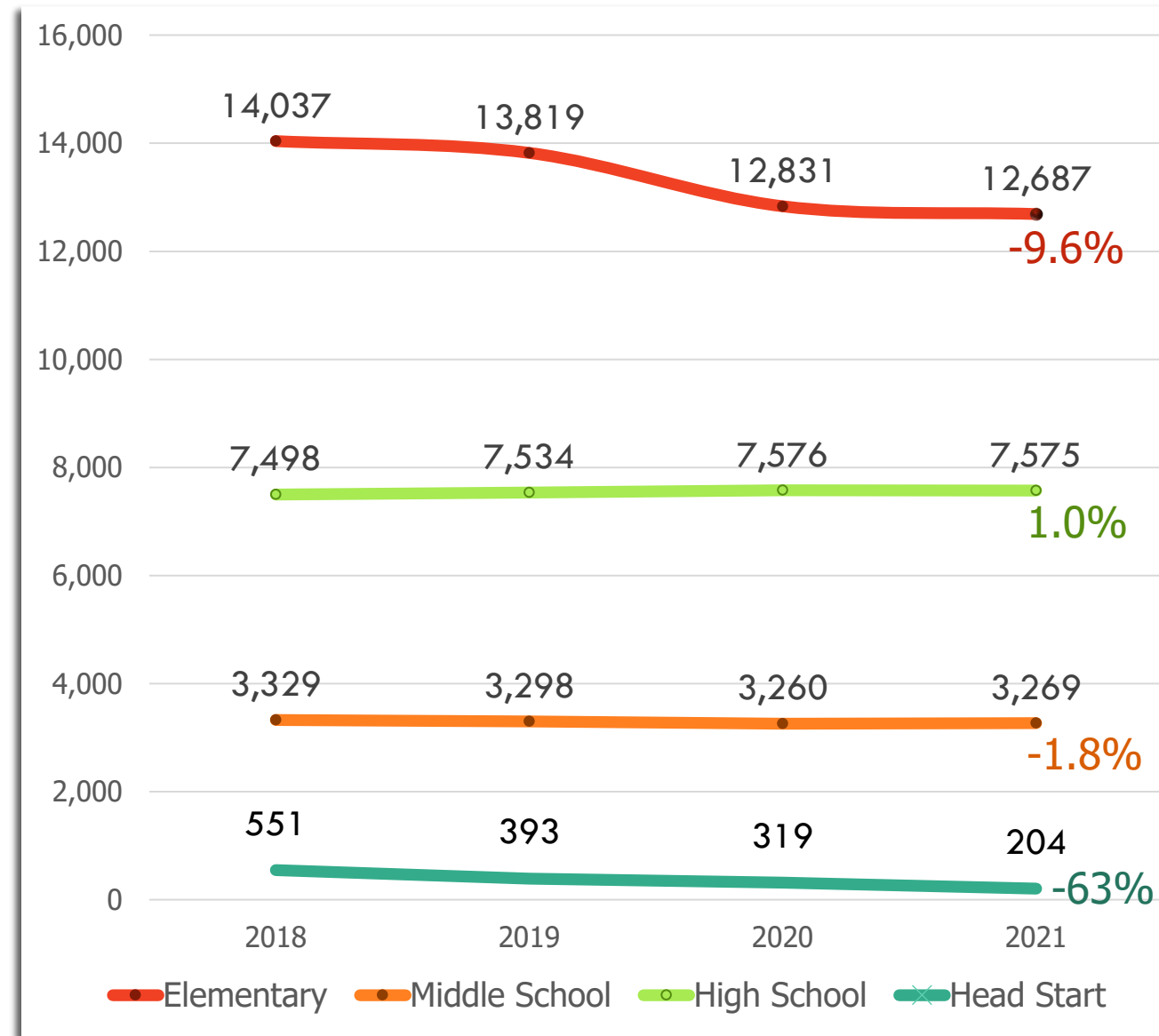
Worcester Public Schools
District-Level Enrollment Data



Student Enrollment

Worcester Public Schools
District-Level Enrollment Data

FOUR YEAR ENROLLMENT TRENDS





Student Enrollment

Worcester Public Schools School-Level Enrollment Data

School Name	18-19	19-20	20-21	21-22
Belmont Street	609	621	576	545
Burncoat St Prep	309	282	260	254
Canterbury St	365	359	300	295
Chandler Elementary	507	493	453	423
Chandler Magnet	471	513	475	418
City View	473	477	462	451
Clark Street	274	265	239	257
Columbus Park Prep	465	427	383	377
Elm Park Community	456	426	401	398
Flagg Street	388	385	345	339
Gates Lane	553	561	516	515
Goddard School	407	374	356	378
Grafton Street	402	369	377	410
Heard Street	285	263	248	238
Jacob Hiatt Magnet	410	412	383	358
La Familia Dual Language	0	0	0	155
Lake View	329	326	319	307
Lincoln Street	255	229	249	235
May Street	332	313	283	300
McGrath Elementary	245	237	224	204
Midland Street	230	222	210	196
Nelson Place	549	571	532	568
Norrback Avenue	579	563	518	515
Quinsigamond	745	744	696	655
Rice Square	476	477	465	516
Roosevelt	688	697	626	480
Tatnuck Magnet	410	425	397	393
Thorndyke Road	372	354	346	357
Union Hill	415	385	389	383
Vernon Hill	517	532	467	469
Wawecus Road	144	154	127	118
West Tatnuck	371	352	337	340
Woodland Academy	600	601	504	480
Worcester Arts Magnet	406	410	368	360
Total Elementary	14,037	13,819	12,831	12,687

Schools with the largest 4-year enrollment change

Roosevelt*	-30.2%
Woodland Academy	-20.0%
Canterbury St	-19.2%
Columbus Park Prep	-18.9%
Wawecus Road	-18.1%
Burncoat St Prep	-17.8%
McGrath Elementary	-16.7%
Chandler Elementary	-16.6%
Heard Street	-16.5%
Midland Street	-14.8%
Elm Park Community	-12.7%
Jacob Hiatt Magnet	-12.7%
Flagg Street	-12.6%
Quinsigamond	-12.1%
Worcester Arts Magnet	-11.3%
Chandler Magnet	-11.3%
Norrback Avenue	-11.1%
Belmont Street	-10.5%

*La Familia Dual Language School Enrollment Shift in 2021-22 contributes mostly to this decline



Student Enrollment

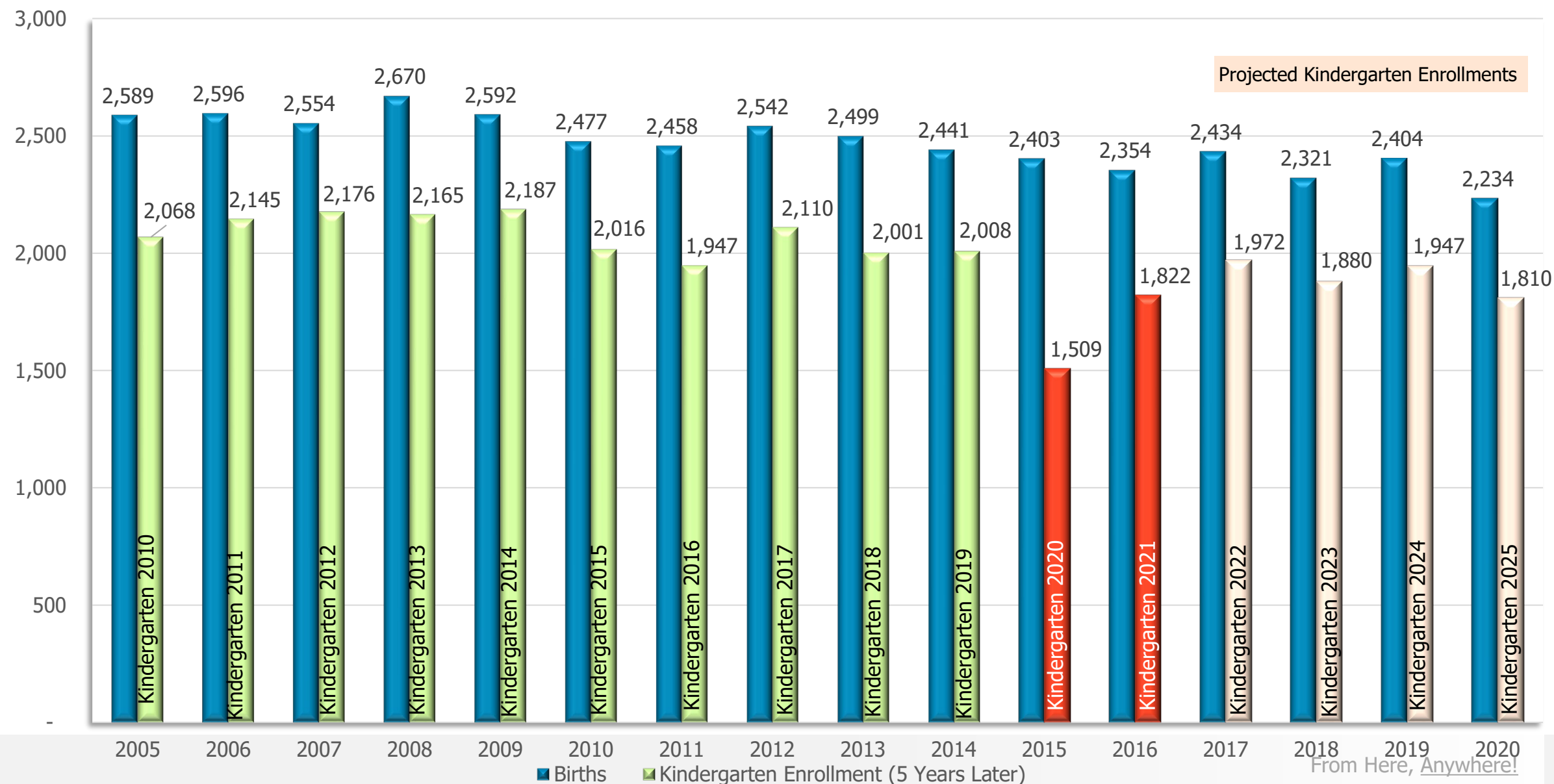
Worcester Public Schools
School-Level Enrollment Data

School Name	18-19	19-20	20-21	21-22
Belmont Street	609	621	576	545
Burncoat St Prep	309	282	260	254
Canterbury St	365	359	300	295
Chandler Elementary	507	493	453	423
Chandler Magnet	471	513	475	418
City View	473	477	462	451
Clark Street	274	265	239	257
Columbus Park Prep	465	427	383	377
Elm Park Community	456	426	401	398
Flagg Street	388	385	345	339
Gates Lane	553	561	516	515
Goddard School	407	374	356	378
Grafton Street	402	369	377	410
Heard Street	285	263	248	238
Jacob Hiatt Magnet	410	412	383	358
La Familia Dual Language	0	0	0	155
Lake View	329	326	319	307
Lincoln Street	255	229	249	235
May Street	332	313	283	300
McGrath Elementary	245	237	224	204
Midland Street	230	222	210	196
Nelson Place	549	571	532	568
Norrback Avenue	579	563	518	515
Quinsigamond	745	744	696	655
Rice Square	476	477	465	516
Roosevelt	688	697	626	480
Tatnuck Magnet	410	425	397	393
Thorndyke Road	372	354	346	357
Union Hill	415	385	389	383
Vernon Hill	517	532	467	469
Wawecus Road	144	154	127	118
West Tatnuck	371	352	337	340
Woodland Academy	600	601	504	480
Worcester Arts Magnet	406	410	368	360
Total Elementary	14,037	13,819	12,831	12,687

Schools with the
largest 4-year
enrollment change

Grafton Street	2.0%
Nelson Place	3.5%
Rice Square	8.4%

Birth Rate and Kindergarten Enrollment Analysis





Student Enrollment

Worcester Public Schools
School-Level Enrollment Data

	18-19	19-20	20-21	21-22	4-Year Change
High Schools					
Burncoat High	1,081	1,111	1,153	1,176	8.8%
Doherty Memorial High	1,529	1,499	1,439	1,331	-12.9%
North High	1,279	1,253	1,299	1,308	2.3%
South High	1,397	1,379	1,425	1,524	9.1%
Worcester Technical High	1,426	1,466	1,481	1,476	3.5%
Claremont Academy	546	581	546	527	-3.5%
University Park Campus	240	245	233	233	-2.9%
Total High Schools	7,498	7,534	7,576	7,575	4.3%
Middle Schools					
Burncoat Middle	685	720	688	686	0.1%
Forest Grove	976	938	905	932	-4.5%
Worc East Middle	766	728	736	870	13.6%
Sullivan Middle	902	912	931	781	-13.4%
Total Middle School	3,329	3,298	3,260	3,269	-1.8%



COVID Impact on Enrollment?

Second Year of Enrollment Decline is occurring in other districts across the country

COVID-19 Policy Fallout

Public Schools Lost 1.1 Million Students During 2020–2021 School Year

By David Nagel | 08/31/21

EDUCATION

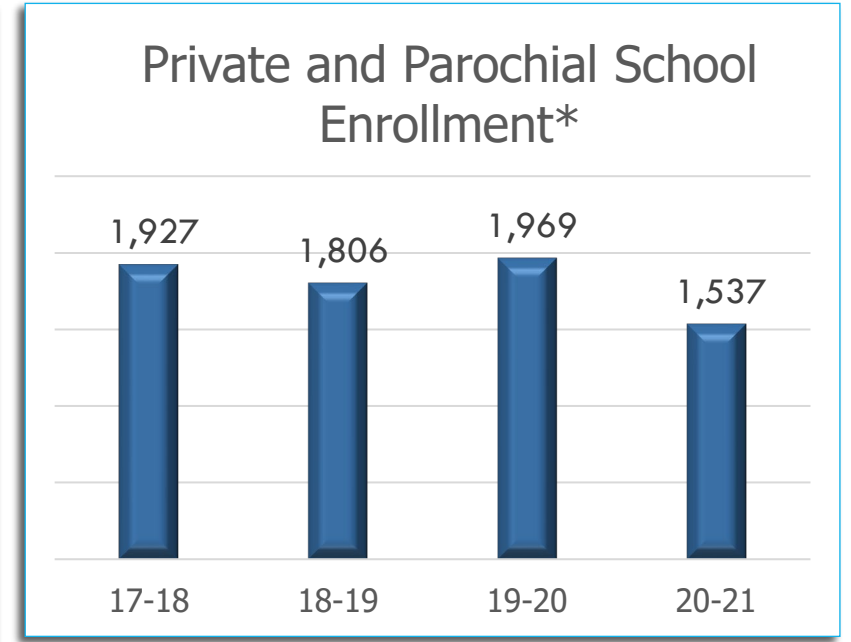
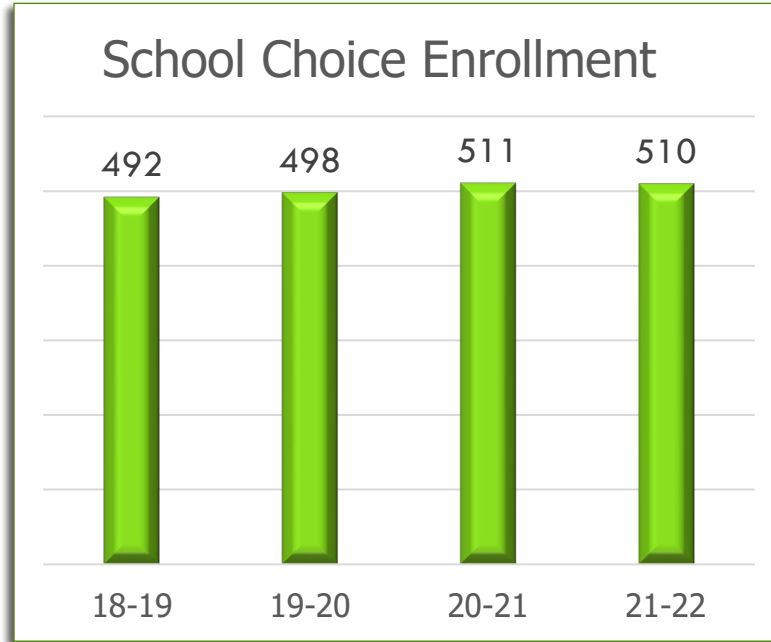
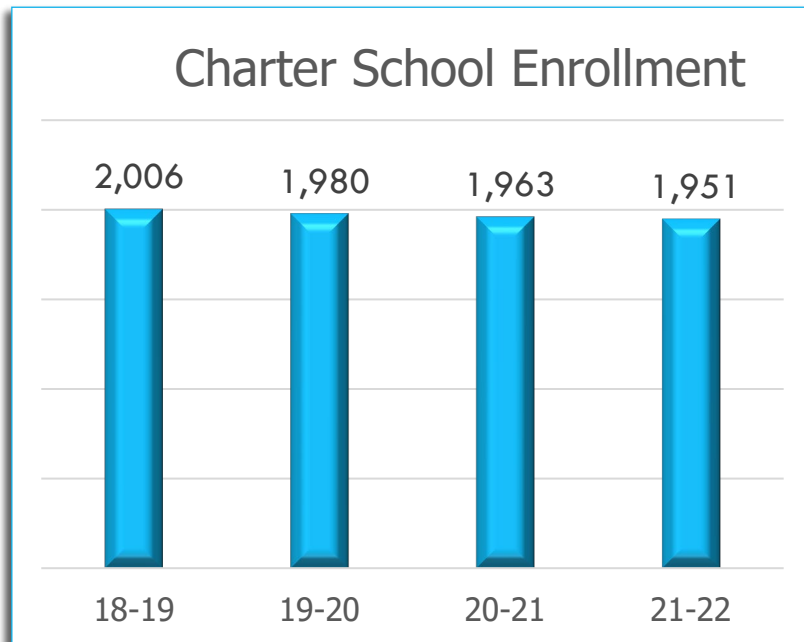
Where are the students? For a second straight year, school enrollment is dropping

December 15, 2021 - 5:35 AM ET

Much Concern Over School Enrollment Declines

The latest headcount data from more than 600 districts in 23 states and Washington, D.C. indicates that few districts, especially larger ones, have returned to pre-pandemic enrollment numbers. Most, according to an NPR investigation, are now posting a second straight year of declines, particularly in some of the nation's largest systems. New York City's school enrollment dropped by about 38,000 students last school year and another 13,000 this year. In Los Angeles, the student population declined by 17,000 students last school year, and nearly 9,000 this year, while in Chicago schools, enrollment dropped by 14,000 last year, and another 10,000 this year. Seattle Public Schools lost 6.4% of its students since the start of the

Charter School and School Choice Enrollment Trends

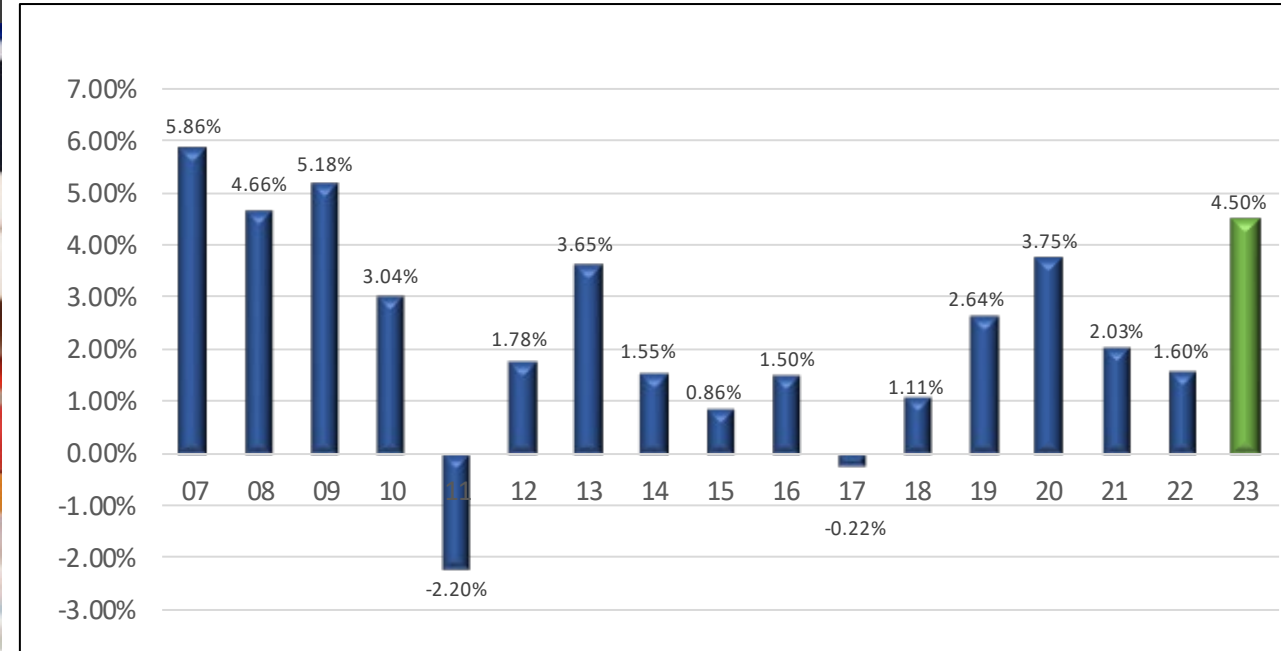


* The current year **2021-22** Private and Parochial School Enrollment has not yet been released by the Massachusetts Department of Elementary and Education as of January 28, 2022.



Foundation Budget Inflation Rate

Change in the Per Pupil Rate Annually based on
Implicit Price Deflators for Gross Domestic
Product for State and Local Governments



FY23 Rate: 4.5%

Employee Benefits Inflation Rate: 4.51%

Inflation provides \$18.0 million in funding for FY23

Each 1% change in the inflation rate equals \$4.0 million

Inflation rate capped at 4.5% by Chapter 70 statute. Actual inflation rate at 5.9%



Foundation Budget Factors

FY23 Budget Impact for the Worcester Public Schools



Enrollment

-\$2.5 million



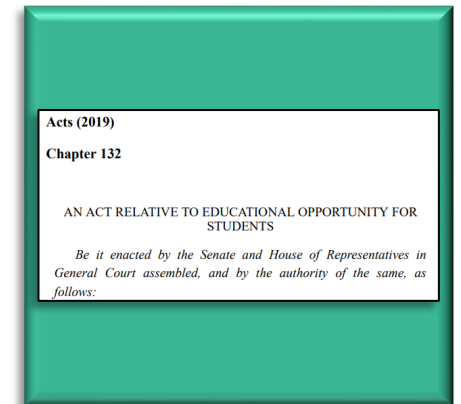
Inflation

\$18.0 million



Low Income Count

+1.8 million



Student
Opportunity Act
+\$13.2 million

Includes resident charter school and school choice students in all of these calculations

From Here, Anywhere!



Student Opportunity Act

Chapter 132 of the Acts of 2019

Formula Changes to be phased in over six- year period.



Benefits & Fixed Charges



Guidance and Psychological Services



Special Education OOD Tuition Rate



English Learners



Low Income

Change from 10 to 12 tiers, higher rates, and revert back to previous low income calculation of students. (**Worcester is tier 11 of 12**)



Formula Changes

Phase in of assumed in-district special education enrollment to 5% for vocational students and 4% for non-vocational students.



Foundation Budget Factors

FY23 Budget Impact for the Worcester Public Schools

Foundation Budget Change from FY22

Inflation	\$18,007,034
Student Enrollment	<u>-\$2,532,383</u>
Total Change	\$15,474,651

Includes resident charter school and school choice students in these calculations



Foundation Budget Factors

FY23 Budget Impact for the Worcester Public Schools

Foundation Budget Change from FY22

Inflation	\$18,007,034
Student Enrollment	<u>-\$2,532,383</u>
Total Change	\$15,474,651
Low Income Student Count	\$1,817,088
Student Opportunity Act Funding	<u>\$13,214,338</u>
FY23 Foundation Budget Change	\$30,506,077

Includes resident charter school and school choice students in these calculations

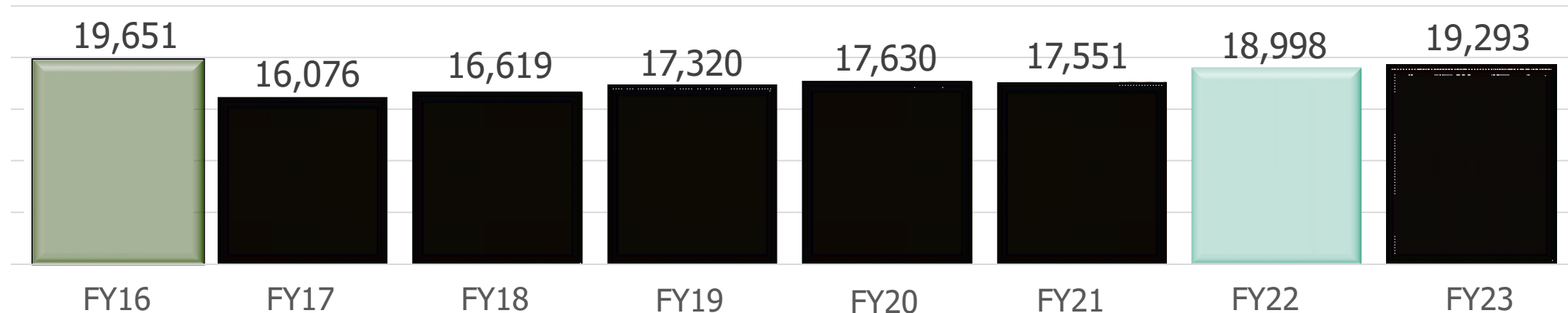


Student Opportunity Act

Category`	FY22 Phase-In Increase	FY23 Phase-In Increase
Benefits and Fixed Charges	\$3,108,924	\$3,509,562
Guidance and Psychological Services	\$407,250	\$691,149
Special Education	\$282,639	\$295,495
English Learners	\$568,740	\$590,398
Low Income Rate	\$8,789,926	\$8,127,734
1/6th Phase-in Totals	\$13,157,478	\$13,214,338
Low Income Student Count	\$7,580,283	\$1,817,261
Total	\$20,737,761	\$15,031,599

SOA: Low Income Calculation

- The SOA reinstates the definition of low-income enrollment used prior to **FY17**, based on 185% of the federal poverty level.
- Replaces the economically disadvantaged designation (based on 133% of the federal poverty level) used from **FY17 through FY21**.
- FY22 was a transition year and the higher of: (a) the number of students matched through the Department's current direct certification process (which identifies students whose families have been approved for various federal and state benefit programs) or (b) the district's **FY16 low-income percentage multiplied by its current foundation enrollment**.
- **FY23** is the first year using the number of students matched through the Department's current direct certification process up to the 185% of the federal poverty level (with optional additional students collected through a submitted form process).



FY23 General Fund Budget

Going from Foundation Budget to Expected Operating Budget

	FY22	FY23	Change	%
Chapter 70 State Aid	\$291,115,647	\$316,240,166	\$25,124,519	8.6%
City Contribution	<u>\$127,052,444</u>	<u>\$132,423,481</u>	<u>\$5,371,037</u>	<u>4.2%</u>
Sub-Total	\$418,168,091	\$448,663,647	\$30,495,556	7.3%

Note: The FY23 foundation budget increase of \$30,506,077 and the FY23 general fund increase (the net school spending requirement) of \$30,495,556 are different by \$10,521 due to the way the state calculates the city’s required contribution. For FY23, under the state’s local contribution formula, the city’s contribution is increased by the Municipal Revenue Growth Factor from the Department of Revenue but is still short of the target local share amount for expected local contribution. The formula increases the local required contribution but caps the increment at no more than an additional 1% of the difference.

FY23 General Fund Budget

Going from Foundation Budget to Expected Operating Budget

	FY22	FY23	Change	%
Chapter 70 State Aid	\$291,115,647	\$316,240,166	\$25,124,519	8.6%
City Contribution	<u>\$127,052,444</u>	<u>\$132,423,481</u>	<u>\$5,371,037</u>	<u>4.2%</u>
Sub-Total	\$418,168,091	\$448,663,647	\$30,495,556	7.3%
Less: Charter School Tuition	-\$31,612,921	-\$33,484,857	-\$1,871,936	5.9%
Add: Charter Reimbursement	\$5,521,488	\$6,336,777	\$815,289	14.8%
Less: School Choice Tuition	-\$3,406,130	-\$3,495,419	-\$89,289	2.6%
Less: State Special Education Assessment	<u>-\$198,440</u>	<u>-\$217,996</u>	-\$19,556	9.9%
Total Tuition Assessments	<u>-\$29,696,003</u>	<u>-\$30,861,495</u>	<u>-\$1,165,492</u>	<u>3.9%</u>
TOTAL GENERAL FUND BUDGET	\$388,472,088	\$417,802,152	\$29,330,064	7.6%

FY23 Budget Planning

Budget Item	Amount
FY23 General Fund Budget Change	\$29,330,064
Transfer FY22 SOA Bridge Funds from ESSER	-\$13,157,478
Transfer FY22 Enrollment Hold Harmless from ESSER	<u>-\$7,428,160</u>
Total Funds to be transferred from ESSER	-\$22,842,584
FY23 General Fund Baseline Budget Increase	\$8,744,426

FY23 Budget Planning

Budget Item	Amount
FY22 Baseline Budget Increase	\$8,744,426
3.5% Level Service Initial Spending Increases (Inflation Costs) – Not including New Programs and Services	\$13,500,000
Inflationary Cost Increases for: Health Insurance, Assessments, Contractual Increases, Tuition Costs, Utility Costs, etc.	
ESTIMATED BUDGET GAP (As of February 3, 2022)	-\$4,707,474



The Administration recommends that **\$4.1 million** in current FY22 budget savings be used as continued “Hold Harmless” funding in FY23 to address this estimated budget gap.



FY22 Enrollment Hold Harmless Detail

Account	Item Transferred to ESSER Funds	Amount
91114	Day by Day Substitutes	\$1,071,000
91115	Kindergarten Instructional Assistants	\$405,906 *
91118	Recreation Worcester	\$100,000
91118	Gerald Creamer Evening Program	\$300,757
91118	Advanced Placement Salaries	\$77,000
91118	AVID Salaries	\$36,160
91118	Mentoring Stipends	\$63,000
91118	Music Enrichment Program Salaries	\$15,000
91118	Summer and Evening Guidance	\$9,500
91123	Parent Liaison Salaries	\$173,500
91133	Clinical Care Salaries	\$783,531
91134	Literacy Tutors	\$505,681
91134	MCAS Tutors	\$280,359
97203	Custodial Overtime	\$1,144,492
500123	Health Insurance for Kindergarten IAs	\$109,074 *
500130	Advanced Placement Supplies and Services	\$193,180
500136	Chromebook Leases	\$1,253,274
540103	Transportation: Special Education (Summer Programming)	\$361,822
540136	Building Rental: Chandler Elementary Annex - YMCA	\$228,204
540136	Building Rental: Dual Language - St. Stephens Church	\$132,000
540136	Building Rental: Alternative School	\$184,720
Total Spending Transferred to ESSER Funds		\$7,428,160

* Adjusted based on final state budget (adopted January 2022)

FY22 SOA Bridge from ESSER Detail



20	English Learner Teachers
15	Special Education Inst. Assistants
13	Elementary Class Size Teachers
12	School Adjustment Counselors
8	Special Education Teachers
73	School-based Instructional Staff
10	District Support Staff

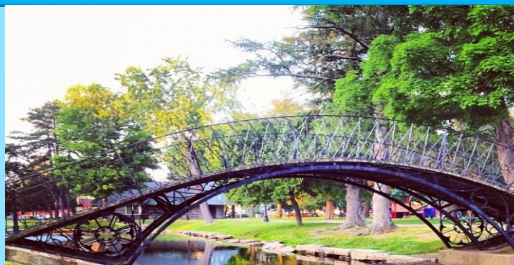
Description	FY22 Budget
District Textbooks	\$550,000
Instructional & School Leadership Materials	\$395,912
Instruction & School Leadership	\$179,056
Increase School Instructional Supplies by \$7 per pupil	\$168,000
Districtwide Furniture	\$153,000
Teacher Staff Development and Training	\$119,600
Math Textbooks	\$74,000
ST Math - Mind Research (new schools)	\$73,500
AED Management Fee	\$28,000
ESL licensure pathway professional development	\$25,000
Mentoring - New Teachers/Professional Staff	\$17,330
Innovation Pathways Supply and Services	\$6,000
TOTAL SPENDING	\$1,789,398

WORCESTER PUBLIC SCHOOLS

ESSER SPENDING PLAN



**Enrollment
Sustainability Funds**



**Student Opportunity
Act Bridge Funding**



**Ventilation System
Upgrades**



**Ventilation System
Maintenance**



**Summer and
Afterschool Programs**



**PPE, COVID Testing,
Nurses**



**District-Operated
School Buses**



**Sustain Technology
Spending**

WORCESTER PUBLIC SCHOOLS

ESSER SPENDING PLAN

ESSER Annual Spending Plan by Year (By Grant):

	FY21 Allocation	FY22 Allocation	FY23 Allocation	FY24 Allocation	Total Award
Federal Grant Revenue:					
Education Stabilization Fund - ESSER I	\$2,550,426	\$6,913,180	\$0	\$0	\$9,463,606
Education Stabilization Fund - ESSER II		\$17,407,975	\$17,407,975	\$0	\$34,815,950
Education Stabilization Fund - ESSER III		\$34,133,844	\$12,767,688	\$31,267,688	\$78,169,220
TOTAL ESSER FUNDS	\$2,550,426	\$58,454,999	\$30,175,663	\$31,267,688	\$122,448,776

ESSER Annual Spending Plan by Year (By Targeted Area):

	FY21 Amount	FY22 Amount	FY23 Amount	FY24 Amount	Total Spending
Federal Grant Revenue:					
Student Opportunity Act Bridge Funds	\$0	\$13,157,478	\$13,157,478	\$13,157,478	\$39,472,434
Enrollment Increase Sustainability	\$0	\$9,685,106	\$0	\$0	\$9,685,106
Summer, Afterschool, and PD Programs	\$0	\$8,000,000	\$5,000,000	\$5,000,000	\$18,000,000
Technology Spending	\$1,274,947	\$2,250,000	\$1,500,000	\$1,250,000	\$6,274,947
COVID-19 Maintenance Spending	\$345,028	\$1,250,000	\$1,000,000	\$1,000,000	\$3,595,028
Personal Protective Equipment (PPE)	\$879,442	\$750,000	\$0	\$0	\$1,629,442
Ventilation System & Building Projects	\$0	\$4,063,315	\$8,544,672	\$10,234,856	\$22,842,843
School Bus Purchase	\$0	\$18,500,000	\$0	\$0	\$18,500,000
City of Worcester Indirect Costs	\$51,009	\$799,100	\$973,513	\$625,354	\$2,448,976
TOTAL ESSER FUNDS	\$2,550,426	\$58,454,999	\$30,175,663	\$31,267,688	\$122,448,776

Foundation Budget Inflation Index:

the lesser of: (i) the ratio of the value of the implicit price deflator for state and local government purchases in the third quarter of the prior fiscal year to its value in the third quarter of the fiscal year 2 years prior; and (ii) 1.045.

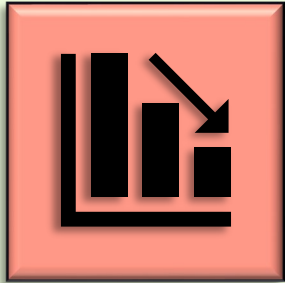
- Actual inflation index at 6.0%.
- Difference for Worcester Public Schools would be **\$6 million** in additional funding.
- Overall statewide Chapter 70 cost increase: **\$98 million.**

FY23 Legislative Priority

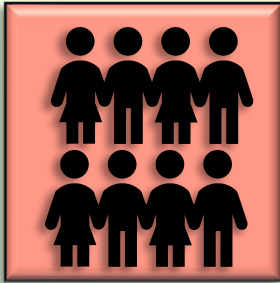
Remove Cap on Foundation Budget Inflation Index for FY23

Key Areas of Impact

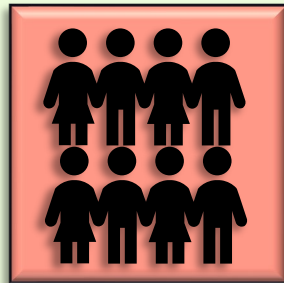
FY23 BUDGET PLANNING



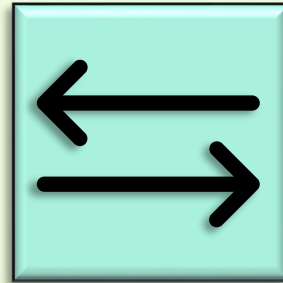
Enrollment
Trends



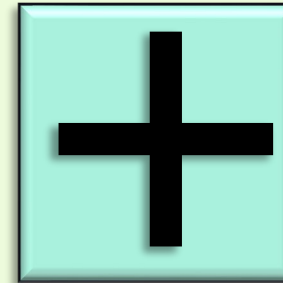
K Enrollment



Head Start
Enrollment



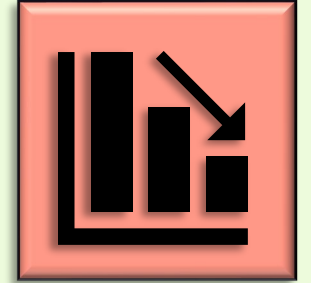
Enrollment
Shift
Adjustments



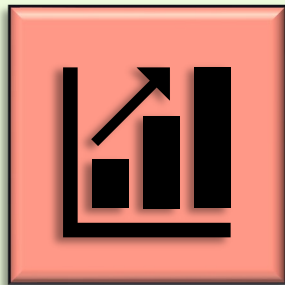
New Positions
and Programs
Needed



COVID related
expenses



Hold Harmless
Created
Budget Gap



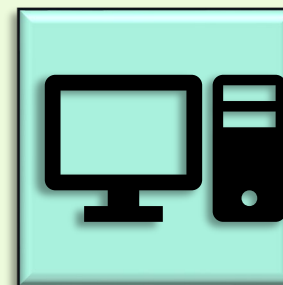
Health
Insurance



SOA &
Strategic
Plan



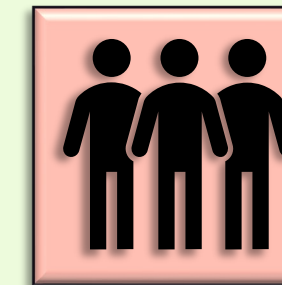
ESSER required
intervention &
acceleration



New SIS &
City Financial
System



District-
Operated
Transportation



Staffing
Shortages &
Vacancies



FY23 Federal
Grants
Allocations

FY23 Budget Calendar



February-March

School and District Resource Allocation Meetings to develop budget priorities and recommendations



May 18

Senate Budget Released
(*Expected Date*)



April 13

House of Representatives Budget Released (*Expected Date*).



May

School Committee Public Budget Hearing, Joint Meeting with City Council Education Committee, and City Council Budget Hearing



May 13

FY23 Budget to be submitted to School Committee and posted on district website



June 2 & 16

School Committee Budget Hearings



From Here, Anywhere!