

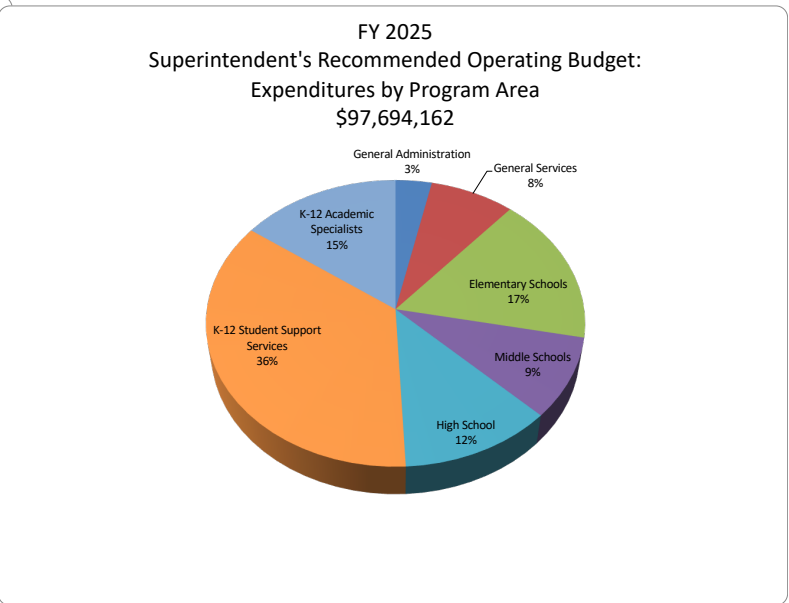
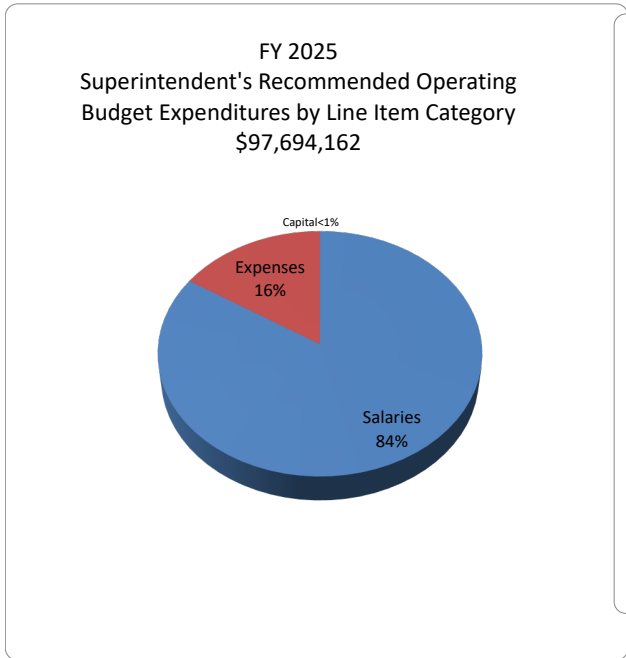


DANIEL E, GUTKANST, ED.D.
SUPERINTENDENT OF SCHOOLS

Date: December 12, 2023
To: Needham School Committee
From: Daniel E. Gutekanst, Superintendent

Enclosed, please find the proposed FY 2024/25 operating budget for the Needham Public Schools. The proposed plan totals \$97,694,162 and represents a \$5.5 million, 6.01% increase over the current year budget of \$92,155,973.

FY25 Budget Summary



This request provides the resources required to address existing staff contractual obligations, enrollment growth, special education needs, and the District’s Portrait of a Needham Graduate Five-Year Strategic Plan. In addition, the budget plan provides the resources we require to continue to meet ongoing student needs resulting from disrupted learning and to address equity needs and interventions.

Highlights of the enclosed plan are identified below.

At the **elementary level**, the proposal includes the additional resources and staffing needed to: maintain elementary class sizes at or below School Committee policy guidelines (Eliot, Newman); strengthen English Language Learner (ELL) and Reading infrastructure (Sunita

Williams, Eliot), and provide additional and targeted special education and counseling support, including continued funding for the new Intensive Learning Center (ILC) classroom (Newman).

At the **middle school level**, the proposal includes additional resources and staffing to do the following: provide enhanced ELL and special education services (High Rock, Pollard), and ensure that eighth grade students have ongoing access to American Sign Language (ASL) instruction.

At the **high school level**, resources and staffing are proposed to: support the 9th and 10th grade Interdisciplinary Programs (IP); provide additional financial resources for athletics; and enable all 11th grade modern world languages students to take the AVANT STAMP test.

At a **district level**, we include additional funding for: transportation, including an additional Connolly bus, a subsidy increase to help fee-paying families, and additional funds for special education transportation; a fourth installment of funds to replace technology and one-to-one devices; a pay rate for substitute teachers; additional technology licenses and subscription costs; more staff training on mandated topics and responsive classroom; and theater inspections and flame retardancy treatment for stage curtains.

The plan also addresses the District's need to maintain services; to provide reasonable, fair, and competitive wages (given current inflationary rates); and to meet a substantial increase in the cost of tuition for students enrolled in special education private schools.

Significant Assumptions Incorporated into the FY 2024/25 Budget:

- **Enrollment.**
 - o The budget is based on a preliminary projected PreK-12 enrollment of 5,560 students, an increase of 13 students over the current year enrollment of 5,547. Although the overall enrollment is still below the pre-Pandemic enrollment of 5,707 (FY20), elementary enrollment has rebounded quickly. The increase in elementary enrollment and the need to meet student needs resulting from disrupted learning, are significant drivers of the additional staffing and operational resources requested.
 - o As noted above, elementary enrollment is projected to increase, from 2,512 in the current year to 2,535 next year, requiring the addition of a new classroom teachers at Eliot and Newman schools.
 - o In addition, ongoing funding also is required to continue the ILC classroom added at Newman School during the current year. This request includes resources for teachers, therapeutic specialists, and instructional assistants.
- **Cost of Living Adjustments.** A cost-of-living adjustment is provided for school staff, including teachers, administrators, instructional assistants, and administrative support personnel. The following increases have been set by collective bargaining contracts for

FY 24/25: a 2.70% increase for Unit A (teachers), a 2.70%/2.75% increase for Unit B (administrators), and a 2.0% increase for Unit C (instructional assistants) and for Unit D (administrative assistants). The Units C and D contracts also restructure salaries in such a way as to increase Needham's competitiveness with our comparison districts, and promote the recruitment and retention of staff, given general economic conditions. A modest cost of living adjustment is included for other, non-union employees. Level funding is proposed for all non-salary accounts.

- ***Out-of-District Tuitions.*** Out of District tuition and transportation expenses increase by \$1,398,651 in FY25, including \$1,223,507 for tuition and \$175,144 for transportation.
 - o Total tuition costs increase by \$1,582,319 over the prior year, reflecting the effect of OSD's 4.69% cost of living adjustment for FY25, a \$1,223,507 increase in the cost of students attending high-cost residential placements, and an increase in the average cost of private and collaborative day placements over and above the OSD increase. These additional expenses are offset by \$358,811 in new Circuit Breaker revenue for FY25, an amount which is much less than the projected expenditure increase. The net required increase of \$1,223,507 is included within the recommended FY25 operating budget request.
 - o Out of district transportation costs increase by \$175,144. Although ridership remains relatively steady at 70-77 students, the number of students being transported as singleton riders is higher than in the past, as is the number of Boston students riding vans instead of the METCO buses. In addition, we are transporting some students for longer distances at higher rates. The FY25 budget reflects these changes, as well as a five percent rate increase for our contract services provider.

Budget Development Process & Priorities:

The FY 2024/25 budget development process began earlier in the school year, when the School Committee identified budget priorities to guide the administration in the budget planning process. These included:

- o The District's Portrait of a Needham Graduate Strategic Priorities.
- o The need for highly qualified staff, teaching within established student/ teacher ratio guidelines.
- o The ongoing refinement of curriculum, instruction and assessment practices; and
- o The need to develop and maintain educational resources and a technology infrastructure that supports student learning and meets District goals.

Administrators developed budget requests in the Fall and submitted them for consideration and discussion in November. The Central Office Administration then met with principals and program directors to review and discuss budget requests in light of the School Committee's identified priorities and district goals. Finally, the Superintendent consulted with the Town Manager and the School Committee and Finance Committee budget liaisons to understand Town and School needs as they relate to the overall budget planning process.

What are the Capital Project Priorities for FY 2024/25?

The requested capital budget for FY25 includes funds for technology and equipment replacement, and for feasibility designs for Master Plan Facilities Projects. These additional requests include:

- \$661,150 for school technology;
- \$62,630 for school vehicle replacement;
- \$66,767 for copier replacement;
- \$25,000 for school furniture replacement;
- \$32,673 for NHS fitness center equipment replacement;
- \$54,000 to update the structures on the Newman preschool playground;
- \$344,558 in theatrical lighting, sound and rigging repairs and upgrades; and
- \$3.95 million in feasibility design funds for Pollard Middle (Master Plan Option C1a).

As of this writing, the Massachusetts School Building Authority (MSBA) Board will consider a recommendation to invite the Pollard School into its eligibility period – an important first step in securing state funding for this project. In addition, the School Department supports the school-related operating and capital facility requests submitted by the Town's Building Maintenance Department.

What are the Next Steps in the Budget Process?

The School administration is eager to discuss this preliminary budget request with the School Committee and members of the community. Additional meetings and deadlines include:

- **December 13th:** School Committee and Finance Committee liaisons budget workshop
- **December 19th and subsequent meetings in January:** School Committee reviews the Superintendent's budget request
- **December and January:** Finance Committee liaisons meet with School Committee liaisons and Central Office staff to review and discuss requests.
- **January 2nd:** Town Manager consults with School Committee about the budget plan and releases FY25-29 Capital Improvement Plan

- **January 16th**: School Committee holds a public hearing on the budget plan.
- **January 23rd**: The School Committee votes the budget plan and sends the budget to the Town Manager and Finance Committee.

I look forward to presenting the budget plan to the School Committee, Finance Committee, and other Town boards and community members in the weeks ahead. We will have thoughtful and sometimes challenging discussions, and I know our focus will be on ensuring a reasonable and appropriate level of funding is available to support the community's greatest assets: its schools and the young people they serve.