



EXECUTIVE SUMMARY

THE WORCESTER PUBLIC SCHOOLS’ adopted budget for FY25, *From Here, Anywhere...Together!* (including general and special revenue) of \$544,809,848 is a 0.9% decrease from the adopted budget of FY24. This report, an on-going series from the Bureau, examines the budget-making process of the Worcester Public Schools, and analyzes some of the new additions to this coming year's adopted budget.

The report begins with an overview of the budgetary process and description of this year's revenues, including

an explanation of the Foundation Budget process and the City's role in education funding. Then, it examines expenditures, new initiatives, and the use of Student Opportunity Act funds this year. Finally, the report compares Worcester, Gateway Cities, and Worcester's neighbors on required local contributions and net school spending, and considers budgetary developments to watch in the coming years.

PAGES 3-7 | THE PROCESS BY WHICH BUDGETS ARE MADE AND THIS YEAR'S REVENUE SOURCES

- The creation of Worcester Public Schools' budget is a months long process that starts in earnest in January with the release of the Governor's Budget proposal and the initial Foundation Budget calculation.
- This year's revenues and expenditures of the Worcester Public Schools, **\$544,809,848, is a 0.9% decrease from FY24.** This year, **WPS faced a \$22 million deficit** from smaller than anticipated state aid, increasing contractual obligations, and the continued effects of experienced inflation.

PAGES 8-9 | EXPENDITURES IN THIS YEAR'S BUDGET

- Worcester Public Schools' largest expenditures are in salaries and benefits of its employees.
 - ▶ There are 5,060 employees budgeted for more than 24,000 students. Of this, **2,540 are teachers and 701 are paraeducators.** The other 1,819 employees are split into 14 categories in the budget.
 - ▶ There are 335 fewer employees in FY25 than in FY24, which includes 163 fewer teachers, 76 fewer teacher substitutes, and 42 fewer educational support employees.
- FY25 marks **the first full school year of the new strategic plan, "Our Promise to the Future."** Spending in FY25 is aligned with the priorities, aims, and promises for the 2027-2028 school year outlined in the plan.
- Worcester has budgeted \$11.55 million for facilities and capital improvements, including renovations, maintenance, and other repairs across a variety of its schools.
- **The City will open the new Doherty Memorial High School,** and continue to move Burncoat High and Middle School through the construction pipeline.

PAGES 10-12 | COMPARISONS, WHAT TO WATCH, AND CONCLUSION

- Worcester's required local contribution in FY23, as a percentage of its foundation budget, is the third highest among the top 10 Gateway Cities by number of pupils. It is the lowest compared to its neighbors.
- Required local contributions are based on property wealth and total community income, so communities with higher values are required to contribute more as a percentage of their Foundation Budgets. **Communities with more students, and especially more low-income students have higher Foundation Budgets.**
- A number of developments to watch:
 - ▶ Next year, can and will the Commonwealth increase inflation rates—and its inflation cap—for state aid?
 - ▶ How will WPS implement SOA funds for its new SOA plans going forward?
 - ▶ How will WPS implement and keep track of its strategic plan priorities, aims, and promises leading up to its final goals in 2027-2028?
 - ▶ What will the timelines and costs of Burncoat be for the City and the Schools in the coming years?