Berlin-Boylston Regional Schools FY27 Budget Preview December 9, 2025

Shared by:

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Important Notes

- We are anticipating the use of significant School Choice and Excess & Deficiency Accounts:
  - E&D
    - Recommend spend $750,000 of Estimate $2.1MM to **reduce assessments this year**
  - Choice
    - $0.00 spent in FY25
    - $850,000 budgeted FY26
    - $720,000 proposed FY27 ($260K added to offset short-term costs) plus Capital
  - Why:
    - Large cohort of OOD placements age out end of FY27
    - TAH Capital costs remain unaddressed past 3 years
    - **NOT SUSTAINABLE** long term, only **bridge to sustainability**
- **State Funds and Offsets are not provided tonight, these are only direct costs to run our schools.**

Top 4 Budget Drivers, All Schools

- Homeless & Foster Transportation – up $66,000 or 115.22% increase
- Out of District Collaborative Tuitions – $102,000 up or 35.32% increase
- Employee Health Care – up $987,642 or 31.93% increase
- Regular Transportation - $91,750 or 15.59% Increase

These are unavoidable costs, driven by factors out of our control and mandated by law and/or contract.

Berlin-Boylston FY26 v. FY27 Budget Request By Cost Center

Cost Center	FY26 Budget	FY27 Budget	FY26 % Incr
Districtwide*	$1,674,140	$1,896,761	13.30%
Berlin Memorial	$4,837,435	$5,528,353	14.28%
Boylston Elementary	$5,656,654	$6,461,575	14.23%
Tahanto Regional MHS	$12,245,161	$13,321,367	8.79%
TOTALS	$24,413,390	$27,208,056	11.45%

*Curriculum Director roles centralized & moved to Districtwide PK-12

Recommended Reading

The Massachusetts Municipal Association (MMA) released a report titled "A Perfect Storm: Cities and Towns Face Historic Fiscal Pressures" in October of 2025. This report can be found at:

https://www.mma.org/resources/a-perfect-storm-cities-and-towns-face-historic-fiscal-pressures/

Some key points include:

- MA ranks below the median and mean for state aid as a share of local revenue.
- Unrestricted state aid has fallen by 24.5% on average resulting in a widening gap between state aid and local property taxes.
- Annual increases in Chapter 70 (State Education Funding) have averaged 0.3% per year for Rural/Suburban, leaving towns to bear the difference.

Additional Detail

The following slides were provided to the committee earlier and contain additional detail regarding tonight's presentation.

We are happy to take any questions the committee may have.

Important Note On This Budget

This budget considers utilizing significant funds from the district's School Choice and Excess & Deficiency accounts. This is done so in a thoughtful and strategic manner to address the following as a means of supporting town assessments:

- A relatively large cohort of students in OOD placements who will age out by the end of FY27.
- Capital costs at Tahanto Regional MHS that have remained unaddressed for the past 3 years. (Pending)

It should be noted, that this is NOT sustainable in the long-term, but serves as a bridge to sustainability and uses the district's "rainy day" funds in a responsible manner.

Excess & Deficiency (E&D)

- Excess & Deficiency is similar to Free Cash that is certified at the Town level.
- Regional school districts are limited to retaining no more than 5% of their current budget in E&D. This is approximately $1.25 Million for BBRSD.
- As of 06/30/2025, the district has $X.XXX Million in E&D funds available. (Pending Certification)
- Based on the above, the district MUST spend $XXX,XXX of it's E&D balance to reduce assessments this year.

School Choice Funds

- School Choice funds are received by districts taking in students from other districts through the state's school choice program.
- The district receives $5,000 per student plus additional funds, based on specific guidelines, for students with Individualized Education Plans (IEPs).
- School Choice funds are kept in a specific account, allowed by the state, for this purpose.
- As of the FY24 financial audit, the district maintained $X.XXX Million in it's School Choice account and did not expend School Choice funds in FY25.

Berlin-Boylston Budget Request For Fiscal Year 2027

- FY26 Operating Budget: $ 24,413,390
- FY27 Proposed Budget: $ 26,581,574
- Budget Change: ($ 2,168,184)
- Net Percent Change: 8.88%

Note: In FY26 additional Choice was used to offset the lack of E&D to support the budget. Choice funds are built into the budget above, while E&D is part of the Assessment Calculation.

Key Budget Drivers – Districtwide (Pre-Offset Basis)

Functional Area:	FY26	FY27	% Change:	Notes:
Regular Transportation	$ 588,650	$ 680,400	15.59%	FY26 Underbudgeted (New Bid); 8% annual
Employee Health	$ 3,092,212	$ 4,079,559	31.93%	18% Increase, New Enrollees, possible prior year Retiree Mix-up (next line)
Retiree Health	$ 420,583	$ 400,897	-4.68%	Potential prior years' retiree mix-up with current employees (prior line)
OOD Collaborative Tuitions	$ 573,284	$ 775,751	35.32%	Increased needs; private is more costly
Homeless & Foster Transportation	$ 58,000	$ 124,825	115.22%	Anticipated Needs
Legal Services	$ 45,000	$ 50,000	11.11%	Continued increasing needs
Total Districtwide	**$ 4,777,729**	**$ 6,111,432**	**27.92%**	Represents more than 50% of the total increase. 6 line items.

Berlin Elementary FY27 Capital Requests By Priority

1.	Student/Staff Device Replacement:	$ 50,000
2.	Add/Replace Cameras:	$ 25,000
3.	Gym Door Replacement:	$ 13,000
4.	Repair Rooftop Units:	$ 12,000
	Total FY26 BMS Capital Request:	$ 100,000

Boylston Elementary FY27 Capital Requests By Priority

1.	Student/Staff Device Replacement:	$ 61,800
2.	Add/Replace Security Cameras:	$ 25,000
3.	Update Cameras & FOBs:	$ 50,000
4.	Bathroom Updates:	$ 65,000
5.	Parking Lot Repaving (Back):	$198,000
6.	Playground Rubber Surface:	$123,000
	Total FY26 Capital Request:	$522,800

Tahanto RMHS FY27 Capital Requests

1.	Student Device Replacement:	$ 80,000
2.	Staff Device Replacement:	$ 40,000
3.	Auditorium Projector & Lighting:	$ 35,000
4.	Replace IDF AC Unit:	$ 17,000
5.	Lighting Controls & Gym Lighting:	$ 50,000
6.	MS Furniture Replacement:	$ 30,000
7.	Parking Lot Expansion*:	$ 600,000
	Total FY26 Capital Request:	$ 852,000

*Parking lot pricing is reduced by a $100K Grant from the State. Cost estimate from Summer 2025 was $650,000, adjusting total up for inflation.

FY27 Tahanto Regional MRHS Debt Assessments

Issuance:	Principal:	Interest:	Total:	Berlin Share:	Boylston Share:
2021 Refinance	$995,000	$274,750	$1,269,750	$458,592	$811,158
2018 Bond	$210,000	$63,400	$273,400	$98,743	$174,657
Totals:	$1,205,000	$338,150	$1,543,150	$557,335	$985,815

Total PRELIMINARY Berlin Assessments For Fiscal Year 2027

	Berlin FY26	Berlin FY27	$ Change	% Change
Operating Assessment	$8,361,690	$9,305,316	$943,625	11.29%
Tahanto Debt & Capital Assessment	$562,885	$865,049	$302,164	53.68%
Elementary Capital	$311,000	$100,000	($211,000)	(67.85%)
Total Assessments	$9,235,575	$10,270,365	$1,028,178	11.13%

Total PRELIMINARY Boylston Assessments For Fiscal Year 2027

	Boylston FY26	Boylston FY27	$ Change:	% Change
Operating Assessment	$12,389,691	$13,547,418	$1,157,727	9.34%
Tahanto Debt & Capital Assessment	$1,016,440	$1,530,101	$513,660	50.54%
Elementary Capital	$216,500	$522,800	$306,300	141.48%
Total Assessments	$13,622,632	$15,600,319	$1,977,687	14.52%