



South Hadley School District FY 26 Budget

Preliminary Discussion and Summary of Challenges

Chapter 70 Summary

Massachusetts Department of Elementary and Secondary Education

FY26 Chapter 70 Summary



278 South Hadley

Aid Calculation FY26

Comparison to FY25

			FY25	FY26	Change	Pct Chg
Prior Year Aid						
1 Chapter 70 FY25	10,867,199					
Foundation Aid						
2 Foundation budget FY26	26,607,493	Enrollment	1,817	1,798	-19	-1.05%
3 Required district contribution FY26	16,689,854	Foundation budget	26,078,106	26,607,493	529,387	2.03%
4 Foundation aid (2-3)	9,917,639	Required district contribution	15,934,556	16,689,854	755,298	4.74%
5 Increase over FY25 (4 - 1)	0	Chapter 70 aid	10,867,199	11,002,049	134,850	1.24%
		Required net school spending (NSS)	26,801,755	27,691,903	890,148	3.32%
Minimum Aid		Target aid share	36.55%	30.74%		
6 \$75 per pupil increase	134,850	C70 % of foundation	41.67%	41.35%		
7 Minimum aid amount		Required NSS % of foundation	102.77%	104.08%		
(if line 6 - line 5 > 0, then line 6 - line 5, otherwise 0)	134,850					
Subtotal						
8 Sum of 1,5,7	11,002,049					



Town

Fiscal Year 2026 Operating Budget - Expenses

A Level Service Budget will yield a Budget Deficit of \$3.5 - 4 million (8% increase). Most department budgets will aim for a max of 2% growth with most at Level Spending (0%), which means cutbacks.

- 1. School (level fund*)**
- 2. General Government (level fund*)**
- 3. Public Safety (level fund*)**
- 4. Public Works (level fund*)**
- 5. Human Services (level fund*)**

****Level Fund will mean cutbacks due to inflation, contractual increases***

Reasons for Guidance for Level Funding

Health Insurance (19% increase, \$1m)

Retirement (10.3% increase, \$500k)

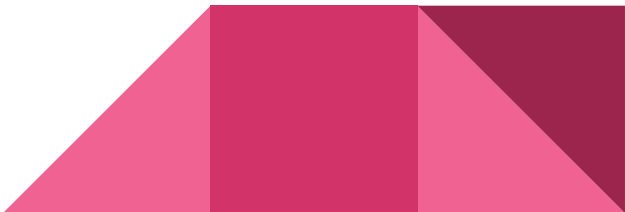
General Liability (15% increase, \$70k)

Enterprise (Landfill 0%, Ledges 2%, Wastewater 2%)

Rising Expenses NOT Offset by Commensurate Rise in State Aid

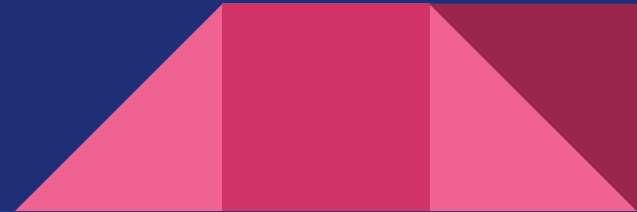


Budget Drivers

- Out of District Tuition - \$279,450 increase
 - Yellow Bus Transportation - 5.5% Increase
 - Special Education Transportation - 125% increase
 - 5-10% contractual increase
 - Additional routes in-district and out of district added during FY25
 - Utility Cost Increases - 7.5% Increase
 - Salaries - Salary Scale Steps and COLA (Cost of Living Adjustments)
 - Special Education Costs - Summer School, Contracted Services, School Psychologists
- 

FY 26 Level Service Budget Increase

\$2,162,450



Additional Sources of Concern

- Federal Funding
 - Entitlement Funding - Title Grants, Special Education Grants
 - \$1,000,000
 - Medicaid Reimbursements
 - \$115,000
 - School Breakfast/Lunch Reimbursements
 - \$200,000



Avenues of Inquiry to Address

- Transportation
 - Yellow Bus and Special Education
- Clubs and activities
- Class size
- Services
- Personnel
- School start/end times

