

Berlin-Boylston Regional Schools FY26 Budget Request March 11, 2025

1**Shared by:**

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2**Important Note On This Budget**

This budget is no longer a level-service budget and the district is making deep cuts to meet town assessment needs. We understand and respect the various competing obligations the towns face; this in no way questions their commitment to the schools or fiscal priorities.

Every effort is made to keep these cuts from direct student facing roles; however at times this was not possible. Be aware that any cuts will inevitably impact the day-to-day operations of the schools in some manner.

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Berlin-Boylston Budget Request For Fiscal Year 2026

➤ FY25 Operating Budget:	\$ 24,793,688*
➤ FY26 Proposed Budget:	\$ 24,393,973
➤ Budget Change:	(\$ 399,715)
➤ Net Percent Change:	-1.61%

* Based on the FY25 Budget approved by School Committee on December 10, 2024

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Berlin-Boylston FY26 Budget Request By Cost Center

<u>Cost Center</u>	<u>FY25 Budget</u>	<u>FY26 Budget</u>	<u>FY26 % Incr</u>
Districtwide	\$1,624,887	\$1,674,140	3.03%
Berlin Memorial	\$5,019,949	\$4,842,435	-3.54%
Boylston Elementary	\$6,135,886	\$5,617,237	-8.45%
Tahanto Regional MHS	\$12,012,966	\$12,260,161	2.06%
TOTALS	\$24,793,688	\$24,393,973	-1.61%

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District Office Budget By Line Items

<u>Functional Area:</u>	<u>FY25</u>	<u>FY26</u>	<u>% Change:</u>	<u>Notes:</u>
School Committee	\$ 12,700	\$ 12,700	0.00%	
Superintendent's Office	\$ 302,757	\$ 309,963	2.38%	
Districtwide Technology	\$ 326,256	\$ 325,301	-0.29%	
Finance & Operations	\$ 407,689	\$ 421,444	3.37%	
HR & Payroll	\$ 120,989	\$ 124,825	3.17%	
Legal Services	\$ 36,625	\$ 45,000	22.87%	Based on FY25 experience
Pupil Services	\$ 272,325	\$ 277,090	1.75%	
Facilities Management	\$ 145,546	\$ 157,818	8.43%	
Total Districtwide	\$ 1,624,887	\$ 1,674,140	3.03%	

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Berlin Memorial Budget By Line Items

<u>Functional Area:</u>	<u>FY25</u>	<u>FY26</u>	<u>% Change:</u>	<u>Notes:</u>
Curriculum Director	\$ 10,374	\$ 10,685	3.00%	
Instructional Coordinators	\$ 57,695	\$ 64,889	12.47%	Includes contracted 10+ days (prev unbudgeted)
Principal's Office	\$ 214,492	\$ 217,058	1.20%	SPED Software savings (\$3,420)
Instruction & Support	\$ 2,933,494	\$ 2,890,955	-1.45%	Includes Staff Cuts
Health Services	\$ 112,792	\$ 108,295	-3.99%	
Transportation	\$ 360,404	\$ 344,680	-4.36%	
Custodial & Utilities	\$ 350,214	\$ 362,811	3.60%	
Technology Infrastructure	\$ 25,500	\$ 23,975	-5.98%	Internet Services Savings
Benefits & Insurance	\$ 840,631	\$ 770,723	-8.32%	Includes \$200K School Choice Offset
Tuitions & Charges	\$ 114,353	\$ 48,363	-57.71%	Includes \$81,865 in Circuit Breaker Offset
Total Budget	\$ 5,019,948	\$ 4,842,435	-3.54%	

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Boylston Elementary Budget By Line Items

<u>Functional Area:</u>	<u>FY25</u>	<u>FY26</u>	<u>% Change:</u>	<u>Notes:</u>
Curriculum Director	\$ 10,374	\$ 10,685	3.00%	
Instructional Coordination	\$ 57,695	\$ 64,889	12.47%	Includes contracted 10+ days (prev unbudgeted)
Principal's Office	\$ 208,903	\$ 208,978	0.04%	SPED Software savings (\$3,420)
Instruction & Support	\$ 3,556,349	\$ 3,420,441	-3.82%	Includes Staff Cuts
Health Services	\$ 122,038	\$ 116,712	-4.36%	
Transportation	\$ 451,664	\$ 407,235	-9.84%	
Custodial & Utilities	\$ 320,887	\$ 306,559	-4.47%	
Technology Infrastructure	\$ 26,600	\$ 26,600	0.00%	
Benefits & Insurance	\$ 944,305	\$ 887,405	-6.03%	Includes \$200K School Choice Offset
Tuitions & Charges	\$ 437,072	\$ 167,734	-61.62%	Includes \$100,000 in Circuit Breaker Offset
Total Budget	\$ 6,135,886	\$ 5,617,237	-8.45%	

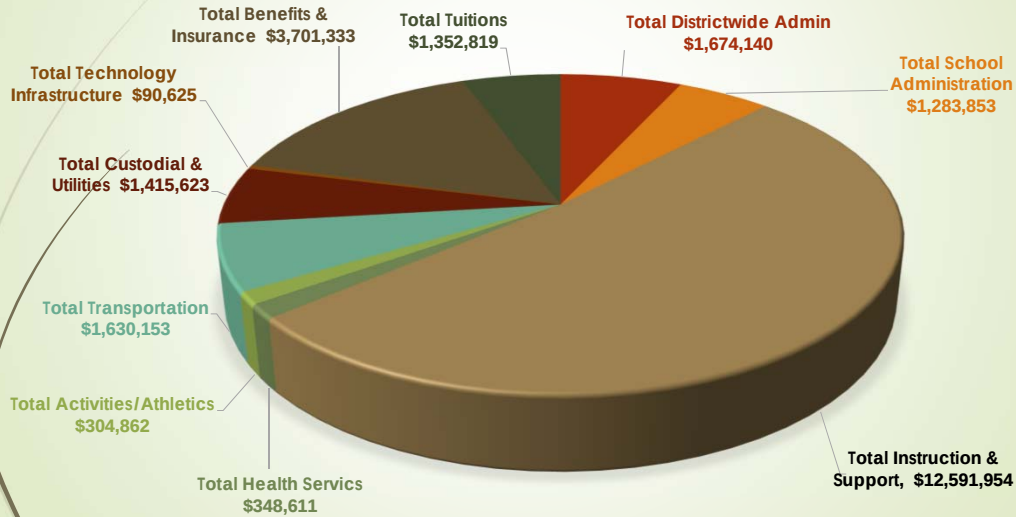
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Tahanto Regional MHS Budget By Line Items

<u>Functional Area:</u>	<u>FY25</u>	<u>FY26</u>	<u>% Change:</u>	<u>Notes:</u>
Curriculum Director	\$ 134,400	\$ 138,263	2.87%	
Instructional Coordination	\$ 128,558	\$ 25,500	-80.16%	Includes staff reallocation
Principal's Office	\$ 528,286	\$ 542,907	2.77%	SPED Software savings (\$3,420)
Instruction & Support	\$ 5,619,263	\$ 6,280,559	11.77%	Includes Staff Cuts
Activities & Athletics	\$ 405,917	\$ 304,862	-24.90%	Staff Cuts
Health Services	\$ 187,195	\$ 123,603	-33.97%	Regular Hire Nursing
Transportation	\$ 765,064	\$ 878,238	14.79%	
Custodial & Utilities	\$ 830,197	\$ 746,253	-10.11%	Electricity & Oil reduced for utilization
Technology Infrastructure	\$ 52,450	\$ 40,050	-23.64%	Reduced Hardware Needs
Benefits & Insurance	\$ 2,167,256	\$ 2,043,205	-5.72%	Includes \$450K School Choice Offset
Tuitions & Charges	\$ 1,194,380	\$ 1,136,722	-4.83%	Includes \$1,010,000 in Circuit Breaker & Grant Offset
Total Budget	\$ 12,012,966	\$ 12,260,161	2.06%	

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FY26 Budget Request By Functional Area



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Allocation Of District Office Costs

The Regional Agreement is silent to the allocation of District Office Costs. However, past practice has been to allocate these costs to the schools as follows:

Berlin Memorial School: 25% of Costs
Boylston Elementary School: 25% of costs
Tahanto Regional MHS: 50% of costs

This dates back to the Region's origins as three separate districts and was continued when the districts became a region.

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BBRSD Significant Direct Budget Offsets **For Fiscal Year 2026**

<u>Category:</u>	<u>Offset Amount</u>
School Choice	\$850,000
Circuit Breaker Reimbursement	\$1,191,865
<u>IDEA Grant Funds</u>	<u>\$271,179</u>
Total FY26 Direct Budget Offsets:	\$2,313,044

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BBRSD Direct Budget Offsets **Calculation & Descriptions**

School Choice:

Allows families to enroll their children in schools in communities other than the city or town in which they reside. BBRSD both receives tuition from students who choice into the district and pays tuition for students who choose to attend other districts. Tuition is paid by the sending district to the receiving district. Receiving district receives \$5,000 per student plus an increment for IEP needs.

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BBRSD Direct Budget Offsets **Calculation & Descriptions**

Circuit Breaker:

Provides financial assistance to public school districts to offset the cost of delivering high-cost special education services to students. District receives reimbursement in the following year based on state appropriation for costs that are above 4 times Foundation threshold (approx. \$54,000). Current appropriation is approximately 75%. Using current appropriation:

$$\text{Reimbursement} = (\text{Total Cost} - \$54,000) \times 75\%$$

So, a \$100,000 placement results in \$34,500 reimbursement, or 34.5% of actual cost.

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BBRSD Direct Budget Offsets **Calculation & Descriptions**

IDEA Grant:

The Individuals with Disabilities Education Act (IDEA) Federal Special Education Entitlement Grant provides funds to ensure that eligible students with disabilities receive a free and appropriate public education that includes special education and related services designed to meet their individual needs in the least restrictive environment. Funding is based on a static base payment and amounts determined by population and poverty measures.

All of the Direct Budget Offsets above are allocated in an equitable manner in accordance with Section 5, Subsection E, Article 3 (b) of the Regional Agreement as follows: "All grant and other District funds shall be apportioned to school budgets by the District at the District's discretion."

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BBRSD Assessment Offsets **for Fiscal Year 2026**

<u>Category:</u>	<u>Offset Amount</u>
Chapter 70 Education Aid	\$3,149,267
Chapter 71 Transportation Reimbursement	\$434,664
Medicaid Reimbursement	\$28,077
<u>Interest Income</u>	<u>\$50,000</u>
Total FY26 Offsets:	\$3,662,008

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BBRSD Assessment Offsets **Calculation & Descriptions**

Chapter 70: The major program of state aid to public elementary and secondary schools. In addition to providing state aid to support school operations, it also establishes minimum spending requirements for each school district and minimum requirements for each municipality's share of school costs. Calculated based on student enrollment, student needs, local income, and local property values.

Per The Regional Agreement, Appendix I: Chapter 70 Aid will be apportioned so that changes in Chapter 70 aid are closely correlated with changes in minimum local contributions. The following Steps are used:

Step 1: Chapter 70 Aid for each school will be adjusted from the prior year Chapter 70 Aid for each school so that it changes by the same percentage as the percentage change in minimum local contribution for that school.

Step 2: Any remaining difference between the Chapter 70 ending total from Step 1 and the Chapter 70 amount allocated by DESE will be apportioned by that building's relative foundation enrollment for the district.

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BBRSD Assessment Offsets **Calculation & Descriptions**

Chapter 71: Provided to regional school districts for Students who live more than 1.5 miles from their public school; the district must provide a seat for every such student.

The district does not receive any reimbursement for students living within 1.5 miles of the school. With limited sidewalks in our towns, we have not investigated changes to our current busing routes. Reimbursements are based on state appropriation and have varied between 75% and 90% in recent years.

Per The Regional Agreement Appendix I: Regional Transportation Aid shall be allocated its share of aid (sic), based on its relative share of in-district students according to the following formula:

Boylston Elementary: $71AID = BORE / (BORE + BMRE + BBRE)$

Berlin Elementary: $71AID = BMRE / (BORE + BMRE + BBRE)$

Berlin-Boylston MHS: $71AID = BBRE / (BORE + BMRE + BBRE)$

* Definitions of these terms
can be found in Appendix I

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BBRSD Assessment Offsets **Calculation & Descriptions**

Medicaid Reimbursement: A reimbursement mechanism to offset local education agency costs for providing certain health care services and administrative activities in a school setting. The district works through the UMass Chan Medical School to file claims for reimbursement for a fee.

Interest Income: Interest earned on account balances.

Both Medicaid Reimbursement and Interest Income become part of Excess & Deficiency (E&D) if not used in the current year. E&D is the school district's form of Free Cash and is used to offset costs. A school district may only accrue a maximum of 5% of it's current year's budget in E&D; overages are returned to member towns.

The Regional Agreement is silent to these items, but past practice appears to offset the Tahanto Assessment using these items.

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Minimum Local Contribution and Budget Impact

The minimum local contribution (MLC) in Massachusetts is based on a town's wealth, including its property values and personal income. The MLC is a minimum amount that each town must contribute to its school budget. MLC is calculated as follows:

- The state determines the minimum spending level needed to provide an adequate education for each town
- The MLC is based on the town's property values and personal income reported to the Department of Revenue

The Regional Agreement allocates MLC in accordance with Foundation Enrollment figures to each school. The shares of above MLC costs are allocated using a 5 year moving average. It appears a 5 year moving average has been used in allocating MLC as well, being consistent and smoothing trends.

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Berlin Memorial School Key Budget Drivers

<u>Function</u>	<u>FY25 Budget</u>	<u>FY26 Budget</u>	<u>\$ Increase</u>	<u>% Increase</u>
Salaries	\$3,014,603	\$3,002,052	(\$12,551)	-0.42%
Employee Health	\$548,765	\$647,543	\$98,778	18.00%
Retiree Health	\$89,251	\$105,317	\$16,065	18.00%
Homeless Transport	\$0	\$18,000	\$18,000	N/A
SPED Transportation	\$259,404	\$218,750	(\$40,654)	-15.67%
Electricity	\$38,000	\$48,000	\$10,000	26.32%
Tuitions & Fees	\$114,353	\$48,363	(\$65,990)	-57.71%

Small variances (+/-) across multiple other line items

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Berlin Memorial School Budget Cuts & Savings

<u>Function</u>	<u>FTE:</u>	<u>FY26 Savings:</u>
Eliminate Contracted Paraprofessionals*	0.0	\$140,000
Staff Reductions/Reallocations	2.0	\$82,000
Collaborative Tuitions (Using Circuit Breaker)**	0.0	\$31,685
<u>SPED Transportation (Changing Needs)</u>	<u>0.0</u>	<u>\$50,750</u>
Total Cuts Towards Reducing Assessments	2.0	\$304,435

* 4 Contracted Paraprofessionals at approximately \$35,000 in savings each

** Additional Circuit Breaker as a result of analysis of carryover funds

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Berlin Memorial Operating Assessment For Fiscal Year 2026

<u>Assessment Line Item:</u>	<u>FY2026</u>
FY26 BMS School Budget	\$4,842,435
FY26 BMS District Share	\$418,535
FY26 Total BMS Budget	\$5,260,970
Less: Chapter 70	(\$651,312)
<u>Less: Chapter 71</u>	<u>(\$96,732)</u>
Total FY26 BMS Assessment:	\$4,512,926

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Boylston Elementary School Key Budget Drivers

<u>Function</u>	<u>FY25 Budget</u>	<u>FY26 Budget</u>	<u>\$ Increase</u>	<u>% Increase</u>
Salaries	\$3,622,395	\$3,556,634	\$65,761	-1.82%
Employee Health	\$631,529	\$745,204	\$113,675	18.00%
Retiree Health	\$55,175	\$65,106	\$9,931	18.00%
Regular Transport	\$161,000	\$172,270	\$11,270	7.00%
SPED Transport	\$288,664	\$232,965	(\$55,699)	-19.30%
SPED Tuitions	\$387,222	\$219,884	(\$167,338)	-43.22%

Small variances (+/-) across multiple other line items

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Boylston Elementary School Budget Cuts & Savings

<u>Function</u>	<u>FTE:</u>	<u>FY26 Savings:</u>
Eliminate Contracted Paraprofessionals*	0.0	\$70,000
Staff Reductions/Reallocations	2.0	\$82,000
Health Insurance (Using School Choice)**	0.0	\$100,000
<u>SPED Transportation (Changing Needs)</u>	<u>0.0</u>	<u>\$36,535</u>
Total Cuts Towards Meeting Assessments	2.0	\$288,535

* 2 Paraprofessionals at approximately \$35,000 in savings each

** School choice had been applied inequitably in the prior version; this corrects.

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Boylston Elementary Operating Assessment For Fiscal Year 2026

	<u>FY2026</u>
FY26 BES School Budget	\$5,617,237
FY26 BES District Share	\$418,535
FY26 Total BES Budget	\$6,035,772
Less: Chapter 70	(\$948,581)
<u>Less: Chapter 71</u>	<u>(\$141,957)</u>
Total FY26 BES Assessment:	\$4,945,234

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Tahanto Regional MHS Key Budget Drivers

<u>Function</u>	<u>FY25 Budget</u>	<u>FY26 Budget</u>	<u>\$ Increase</u>	<u>% Increase</u>
Salaries	\$6,142,691	\$6,728,747	\$586,056*	9.54%
Employee Health	\$1,440,224	\$1,699,465	\$259,240	18.00%
Retiree Health	\$212,000	\$250,160	\$38,160	18.00%
SPED Transportation	\$460,564	\$555,783	\$95,219	20.67%
Private SPED Tuitions	\$282,576	\$246,220**	(\$36,356)	-12.87%
Collaborative Tuitions	\$466,964	\$431,599***	(\$35,365)	-7.57%

Small variances (+/-) across multiple lines

Substitutes set to not increase – commitment to manage costs (next slide)

* Includes 2 Paraprofessionals from BMS & 1 Paraprofessional from BES

**FY26 includes 2 move-ups, 1 move-in, 1 new placement. Additional Circuit Breaker Applied

*** Includes IDEA Grant offset

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Tahanto Regional MHS Budget Cuts & Savings

<u>Function</u>	<u>FTE</u>	<u>FY26 Savings</u>
Eliminate Contracted Paraprofessionals*	0.0	\$105,000
Staff Reductions/Reallocations	3.0	\$215,288
<u>Private SPED Tuitions (Using Circuit Breaker)</u>	<u>0.0</u>	<u>\$125,000</u>
Total Cuts Towards Reducing Assessments	3.0	\$340,288

* 3 Paraprofessionals at approximately \$35,000 in savings each

** Additional Circuit Breaker as a result of analysis of carryover funds

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Allocation Of Tahanto Operating Costs

The Regional Agreement indicates that each member town will be apportioned a percentage of Berlin-Boylston Middle-High School's (Tahanto's) above minimum required local contribution, determined by each town's average ratio of pupil enrollment (foundation enrollment in grades six through twelve for the preceding five years; therefore, a five year moving average. Each member's minimum required local contribution shall be added to it's above minimum required local contribution to determine its Annual Operating Assessment.

Chapter 70 State Aid and Chapter 71 transportation Reimbursement are applied in accordance with the procedures outlined in Slides 15 & 16. All other resources are applied in accordance with Slides 12 & 13.

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Tahanto RMHS Operating Assessment For Fiscal Year 2026

	<u>FY2026</u>
FY26 TAH School Budget	\$12,260,161
FY26 TAH District Share	\$837,070
FY26 Total TAH Budget	\$13,097,231
Less: Chapter 70	(\$1,549,373)
Less: Chapter 71	(\$195,976)
<u>Less: Charter Reimbursement</u>	<u>(\$78,077)</u>
Total FY26 TAH Assessment:	\$11,273,805

<Continued Next Slide>

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Tahanto RMHS Operating Assessment For Fiscal Year 2026 (cont.)

	<u>FY2026</u>
Total FY26 TAH Assessment	\$11,273,805
Berlin Minimum Local Contribution	\$1,915,826
<u>Boylston Minimum Local Contribution</u>	<u>\$3,728,092</u>
Above Minimum Contribution	\$5,629,887
Berlin Above Minimum Share	\$1,943,115
Boylston Above Minimum Share	\$3,686,771

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Total Berlin Operating Assessments For Fiscal Year 2026

	<u>FY2025</u>	<u>FY2026</u>	<u>\$ Change:</u>	<u>% Change:</u>
FY26 BMS Assessment		\$4,512,926		
FY26 Tahanto MLC		\$1,915,826		
<u>FY26 Tahanto Above MLC</u>		<u>\$1,943,115</u>		
Total FY26 Operating	\$7,800,875	\$8,371,867	\$570,992	7.32%

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Total Boylston Operating Assessments For Fiscal Year 2026

	<u>FY2025</u>	<u>FY2026</u>	<u>\$ Change:</u>	<u>% Change:</u>
FY26 BES Assessment		\$4,945,234		
FY26 Tahanto MLC		\$3,728,092		
<u>FY26 Tahanto Above MLC</u>		<u>\$3,686,771</u>		
Total FY26 Operating:	\$11,872,723	\$12,360,097	\$487,374	4.10%

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Regional District Debt & Capital Costs

Per the Regional Agreement, Capital Costs shall include all expenses in the nature of capital outlay; it provides many examples of what capital costs include. It also states that Capital Costs shall also include payment of principal and interest on bonds, notes, or other obligations issued by the District to finance capital costs.

In accordance with the regional agreement, each member town's share of capital costs is calculated by the member town's Running Average Percentage. A member town's Running Average Percentage is a four year moving average (that year plus three preceding) of that town's Annual Average Percentage. A member town's Annual Average Percentage is the sum of its Tahanto Enrollment Percentage plus its Foundation Enrollment Percentage for that fiscal year, divided by two. A member town's Tahanto Enrollment Percentage is the number of that town's resident students of member towns enrolled in the regional school district (assumed at Tahanto), each determined as of October 1 of the prior fiscal year.

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Tahanto Regional MRHS Debt Assessments

<u>Issuance:</u>	<u>Principal:</u>	<u>Interest:</u>	<u>Total:</u>	<u>Berlin Share:</u>	<u>Boylston Share:</u>
2021 Refinance	\$950,000	\$322,250	\$1,272,250	\$453,440	\$818,810
2018 Bond	\$200,000	\$73,400	\$273,400	\$97,442	\$175,958
Totals:	\$1,150,000	\$395,650	\$1,545,650	\$550,883	\$994,767

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Berlin Elementary FY26 Capital Requests By Priority

1.	Replace Elevator Controls:	\$ 192,000
2.	Add/Replace Cameras:	\$ 45,000
3.	Student/Staff Device Replacement:	\$ 61,400
4.	Replace Roof:	\$ 323,769
5.	Add Classroom MiniSplits:	\$ 299,750
6.	Purchase Floor Scrubber:	\$ 12,000
7.	Replace Blinds/Treatments:	\$ 17,000
8.	Add Solar To New Roof	\$ 360,000
Total FY26 Capital Request:		\$1,310,919

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Boylston Elementary FY26 Capital Requests

1.	Repair Hot Water Pump:	\$ 14,000
2.	Window Repairs:	\$ 13,000
3.	Update Cameras & FOBs:	\$ 50,000
4.	Student/Staff Device Replacement:	\$ 76,500
5.	Repair Exterior Brickwork:	\$ 33,000
6.	Accessible Playground Equipment:	\$ 30,000
Total FY26 Capital Request:		\$216,500

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Tahanto RMHS FY26 Capital Requests

1.	Middle School Furniture:	\$ 206,000
2.	Auditorium Projector & Controller:	\$ 35,000
3.	Student Device Replacement:	\$ 100,000
4.	Staff Device Replacement:	\$ 45,000
5.	Update HVAC BAS*	\$ 256,633
6.	Auditorium Theatrical Lighting:	\$ 96,000
7.	Auditorium Sound System:	\$ 94,000
8.	Auditorium Overhead Lighting:	\$ 13,000
9.	Replace Floor Scrubber:	\$ 11,000
10.	Update Phone System:	\$ 130,000
	Total FY26 Capital Request:	\$ 986,633

*BAS = Building Automation System

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Total Capital Assessments For Fiscal Year 2026

	<u>Berlin</u>	<u>Boylston</u>
FY26 Debt Assessment	\$550,883	\$994,767
FY26 Elementary Capital	\$1,310,919	\$216,500
<u>FY26 Tahanto Capital</u>	<u>\$351,644</u>	<u>\$634,989</u>
Total FY26 Capital Assessments	\$2,213,446	\$1,846,256

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Thank You!!!

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Appendix I: Key Terms/Acronyms

BORE: Regional agreement term for the number of Boylston Resident students attending Boylston Elementary, in district.

BMRE: Regional agreement term for the number of Berlin Resident students attending Berlin Elementary, in district.

BBRE: Regional agreement term for the number of Berlin Resident students attending Berlin-Boylston Middle-High School in-district, PLUS number of Boylston Resident students attending Berlin-Boylston Middle-High School in-district.