

FY27 Budget Update:

Funding changes & funding options

March 19, 2026

Budget Update | GIC Health Premium Adjustment

	FY23	FY24	FY25	FY26*	FY27	FY28	FY29	FY27-29
<i>PSB Initial Forecast</i>					155,644,237	161,394,753	168,775,413	
PSB Budget 02.26.26	123,726,143	131,031,803	136,847,619	142,792,591	149,801,901	155,314,303	162,571,740	
Increase (\$) from prior year budget		7,305,660	5,815,816	5,944,972	7,009,310	5,512,402	7,257,437	
Increase (%) from prior year budget		5.90%	4.44%	4.34%	4.91%	3.68%	4.67%	
<i>Town Initial Allocation</i>					142,000,484	142,041,484	141,322,934	
Town Allocation to PSB 03.13.26	123,726,143	131,031,803	136,847,619	142,792,591	145,259,571	145,169,102	144,627,301	
Increase (\$) from prior year allocation		7,305,660	5,815,816	5,944,972	2,466,980	-90,469	-541,801	
Increase (%) from prior year allocation		5.90%	4.44%	4.34%	1.73%	-0.06%	-0.37%	
Initial Funding Gap					13,643,753	5,709,516	8,099,210	27,452,479
Funding Gap					4,542,330	5,602,871	7,799,238	17,944,439

A reduction in the GIC Health insurance premium for FY27 increased the town's capacity to increase the allocation to PSB by \$726,274.

Reductions already taken

- PSB has reduced programming since the last override which included the loss of K-5 World Language, math and literacy coaches.
- Since November PSB has reduced its FY27 projection for a recommended budget from \$155.6M to \$149.8M representing a net reduction of \$5.8M. It includes a net loss of 22.1 FTE, reductions in tuitions and transportation account lines. We've reduced technology and technology support, student academic (MTSS) supports and right sized staffing for our projected enrollment with no further loss of programs.
- We are launching new revenue generating options for FY27.
- The non-salary expenses in the proposed FY27 Budget is now 12.5%.

No good options for further reduction

- Expenses are lean, any further reductions will necessarily impact staffing.
- District level positions will remain understaffed. Further reductions will affect those with most direct contact with students.
- Additional reductions to staffing will move general education classes or case loads above guidance, eliminate educational programs, eliminate enrichment options and electives, and reduce general academic and counseling supports embedded in our systems defined by MTSS
- Historically, reductions once taken are impossible to restore.

Operating override options being considered

1. Fully fund PSB and Town needs phased in over a three year period
2. Fully fund PSB and Town needs to be collected up front in year 1*
3. Fund PSB and Town needs at 86% of proposed revenue gap

* results in a 'funding cliff' for FY30

Impacts to PSB depending on outcome

Option 1 would yield the proposed budget for FY27 as presented by the Superintendent on February 5 in the amount at the start of this presentation.

Option 2 would yield the same result with a funding cliff for FY30.

Option 3 would yield as follows.

Override Option 3 (-14% funding) -

PSB Reduction=
-\$2,512,222

Option 3 (\$2,512,222) - Reductions

District: Furniture, Fixtures, Equipment

District: OTL Restructure

K8: Co-curricular programs

K8: Summer programming - non mandatory

K8: BEEP Paraprofessional

K8: Conservatory

BHS: SE Teacher and Paraprofessional

BHS: SE Paraprofessional

BHS: Security Paraprofessional

BHS: Low enrollment classes

BHS: Reduce non-aligned leader

BHS: Reduce asst. athletic director

BHS: Reduce teaching positions

Total FTE -19.3

Custodial equipment & replacement furniture for schools

1.0 FTE

Raise fees and/or reduce/eliminate after school drama, sports, clubs, etc.

Project Discovery

1.0 FTE

7.0 FTE

2.0 FTE

1.0 FTE

1.0 FTE

1.0 FTE

1.0 FTE

1.0 FTE

3.3 FTE

Refresher: No override or a failed Override

- A failed override would result in a total staff reduction of 210.3 FTE (14.5%)
- Year 1 cuts avoid classroom sections but still end Grades 6-8 World Language, end Grades 4-8 Conservatory, reduce Grade 1 staffing, increase HS class size and reduce HS supports
- Year 2-3 cuts will directly and significantly impact class size
 - K-8 class size average 30.3 (increase of 56%)
 - 36% of classrooms closed
 - BHS class sizes averages of 26-34
 - End of +1 and related tutorial supports for students
 - Questions of safety, compliance

FY27 Budget Adoption Vote

Vote to adopt the Superintendent's FY27 proposed budget in the amount of \$149,801,901, and continue to work with the Town to align the school budget to the Town allocation of \$145,259,571 (increased from \$144,533,297 on March 13, 2026) through the identification of revenues, including an operating override.

Further, as part of the FY27 Financial Plan, the School Committee approves the grants presented in the FY27 budget as modified during the budget deliberation process.