

FY27 Proposed Budget Update #2

Presentation to the NRSD School Committee

Wednesday, February 25, 2026

Presented By:

Kirk Downing, Superintendent

Ross Mulkerin, Assistant Superintendent of Finance, Operations, and Safety



FY27 Proposed Budget Update #2

- 1. FY27 Budget Timeline Check-In**
- 2. Quick Review of FY27 Budget Update #1**
- 3. FY27 Budget Update #2**
 - a. Expense Adjustments**
- 4. Updated Budget and Town Assessments**
- 5. Next Steps**

FY27 Budget Timeline To Date and Work Ahead

Action Item	Group	Proposed Timeline*
FY27 Budget Timeline Presented to School Committee	NRSD Admin /NRSC	October 8, 2025 ✓
Preliminary FY27 Budget Information to Principals and Departments	NRSD Admin	October 9, 2025 ✓
Personnel Meetings with Principals and Departments	NRSD Admin	October 27-28, 2025 ✓
FY27 Site-Based and Department Budget Packages Due	NRSD Admin	November 21, 2025 ✓
Review of Site-Based and Departmental Budget Submissions	NRSD Admin	Beginning November 24th, 2025 ✓
Capital Plans Presented to School Committee	NRSD Admin	December 17, 2025 ✓
Capital Plans Submitted to Town Administrators	NRSD Admin	By December 31, 2025 ✓
School Committee FY27 Budget Workshop	NRSD Admin /NRSC	January 14, 2026 ✓
Governor's Proposed FY27 Chapter 70 State Aid and Required Local Contributions provided to school districts ¹	NRSD Admin	Anticipated by February 1, 2026 ✓
FY27 Proposed Budget Update # 1 to NRSC	NRSD Admin /NRSC	January 28, 2026 (postponed to 2/11/26)
FY27 Proposed Budget Update # 1 to NRSC	NRSD Admin /NRSC	February 11, 2026 ✓
Budget & Warrant Subcommittee Review of FY27 Proposed Budget	B&W Subcommittee	February 23, 2026 ✓ (updated date)
FY27 Proposed Budget Update # 2 to NRSC	NRSD Admin /NRSC	February 25, 2026
Budget Presentation to Town-Based FinComs/Advisories	NRSD Admin	February 26, 2026 (updated date)
Certification of Excess and Deficiency (E&D) ²	NRSD Admin	Anticipated by March 1, 2026
Budget Public Hearing	NRSD Admin /NRSC	March 4, 2026
FY27 Proposed Budget Update # 3 to NRSC	NRSD Admin /NRSC	March 4, 2026
School Committee FY27 Budget Vote	NRSC	March 11, 2026
FY27 Budget Vote at Annual Town Meetings	NRSD Admin	Set by Towns

*Dates are subject to change

FY27 Proposed Budget #1 as of February 11, 2026

On February 11th, the district administration presented an overall budget reduction of \$1,354,195 wrestling in an overall Operating Budget of:

	FY26 Voted	FY27 Proposed	Dollar Change FY 26 to FY 27	Change %
Operating Budget	\$69,999,145	\$73,549,401	\$3,550,256	5.07%
Capital Equipment/ Leases (Copiers)	\$60,000	\$75,000	\$15,000	25.00%
Debt Service	\$6,574,176	\$6,567,542	(\$6,634)	-0.10%
Total Budget	\$76,633,321	\$80,191,943	\$3,558,622	4.64%

Based on the updated Operating Budget, Estimated Revenues, Local Minimum Contributions, and application of Foundation Enrollment, the following member town assessments were presented:

	FY26 Voted	FY27 Proposed	\$ Change	% Change
Bolton- Operating Budget Assessment	\$18,995,161	\$20,125,992	\$1,130,831	5.95%
Lancaster- Operating Budget Assessment	\$17,091,345	\$18,312,745	\$1,221,400	7.15%
Stow- Operating Budget Assessment	\$19,869,296	\$20,916,590	\$1,047,294	5.27%

Budget Updates Completed Since Budget Update #1 on 2/11/26

- Expense adjustments (since 2/11/26) 
 - Includes verbal rate increase from MIIA
 - Includes Specialized Transportation Coordinator
 - Includes updated offsets

FY27 Budget Update #2: Expense Increases (since 2/11/26)

Budget Update #2 Expense Increases	
Student Services Transportation Coordinator	\$80,000
Total Expense Increase	\$80,000

FY27 Budget Update #2: Expense Reductions (since 2/11/26)

Budget Update #2 Expense Reductions	
Kindergarten (Center)	-\$90,803
Kindergarten IA (Center)	-\$41,496
Kindergarten (MRE)	-\$90,803
Kindergarten IA (MRE)	-\$41,496
Salary Adjustments	-\$188,682
Technology Hardware	-\$91,000
Health Insurance @ 11.5%	-\$218,927
Dental Insurance (Active and Retiree) @ 3.38%	-\$19,544
Additional Circuit Breaker Offset to Special Education Transportation	-\$200,000
Additional Athletics User Fee Offset to Athletics Transportation	-\$45,000
Total Expense Reduction	-\$1,027,751

*MIIA rep provided verbal Health Insurance increase of 11.5%

**MIIA rep provided verbal Dental Insurance increase of 3.38%

Athletic Revolving Funds

- Athletic Revolving Fund (tickets/gate receipts)
- High School Athletic User Fee
- Hale Athletic User Fee
- Burbank Athletic User Fee
- Sawyer Athletic User Fee
- Athletic Donations

Balances, expenses, revenue presented annually to NRSC (refer to [11/19/25 meeting materials](#))

Athletic Revolving Expenses

Direct Expenses

- 0.5 Athletic Admin Assistant
- Game Officials
- Pool and Ice Rentals

Offsets to Operating Budget

- Transportation
- Track and Field Debt

Operating Budget Offset

As presented at 11/19/25 NRSC Meeting:

ATHLETIC REVOLVING FUNDS	
ATHLETIC REVOLVING FY24 BALANCE	\$58,717.07
ATHLETIC REVOLVING EXPENSE	-\$280.00
ATHLETIC REV. EXP. TRACK DEBT	-\$25,000.00
ATHLETIC REVOLVING REVENUES	\$50,485.11
ATHLETIC REVOLVING FY25 BALANCE	\$83,922.18

HS ATHLETIC USER FEE FY24 BALANCE	\$114,765.04
HS ATHLETIC USER FEE EXPENSE	-\$133,230.20
HS ATHLETIC USER FEE REVENUE	\$176,566.41
HS ATHLETIC USER FEE FY25 BALANCE	\$158,101.25

HALE ATHLETIC USER FEE FY24 BALANCE	\$11,486.03
HALE ATHLETIC USER FEE EXPENSE	-\$7,254.55
HALE ATHLETIC USER FEE REVENUE	\$16,674.97
HALE ATHLETIC USER FEE FY25 BALANCE	\$20,906.45

BURBANK ATHLETIC USER FEE FY24 BALANCE	-\$795.60
BURBANK ATHLETIC USER FEE EXPE	-\$4,577.00
BURBANK ATHLETIC USER FEE REVE	\$10,905.00
BURBANK ATHLETIC USER FEE FY25 BALANCE	\$5,532.40

SAWYER ATHLETIC USER FEE FY24 BALANCE	\$5,731.07
SAWYER ATHLETIC USER FEE EXPEN	-\$8,292.00
SAWYER ATHLETIC USER FEE REVEN	\$13,505.00
SAWYER ATHLETIC USER FEE FY25 BALANCE	\$10,944.07

ATHLETIC DONATIONS FY24 BALANCE	\$2,600.00
ATHLETIC DONATIONS EXPENDITURE	\$0.00
ATHLETIC DONATIONS REVENUE	\$0.00
ATHLETIC DONATIONS FY25 BALANCE	\$2,600.00

Based on FY25 balances, district is increasing the offset from Athletic User Fees to Athletic Transportation in Operating Budget

User Fee Offset to Athletic Transportation:

FY26 = \$45,000

FY27 = \$105,000

FY27 Budget: Total Expense Update (since 2/11/26)

Total Expense Increase	\$80,000
Total Expense Reduction	-\$1,027,751
Total FY27 Budget Update #2 Expense Change	-\$947,751

FY27 Proposed Budget #2 as of February 25, 2026

	FY26 Voted	FY27 Proposed	Dollar Change	Change %
Operating Budget	\$69,999,145	\$72,601,650	\$2,602,506	3.72%
Capital Equipment/ Leases (Copiers)	\$60,000	\$75,000	\$15,000	25.00%
Debt Service	\$6,574,176	\$6,567,542	(\$6,634)	-0.10%
Total Budget	\$76,633,321	\$79,244,192	\$2,610,872	3.41%

	FY26 Voted	FY27 Proposed	\$ Change	% Change
Bolton- Operating Budget Assessment	\$18,995,161	\$19,814,081	\$818,921	4.31%
Lancaster- Operating Budget Assessment	\$17,091,345	\$18,003,757	\$912,412	5.34%
Stow- Operating Budget Assessment	\$19,869,296	\$20,589,738	\$720,442	3.63%

FY27 Budget: Next Steps

February 26th: Joint FinCom/Advisory (slides attached)

March 4th: Public Hearing and Budget Update #3 (if applicable)

March 11th: School Committee FY27 Budget Vote

May 4th: Bolton Town Meeting

May 4th: Lancaster Town Meeting

May 9th: Stow Town Meeting

FY27 Proposed Budget

**Presentation to Joint Finance/Advisory
Committees Bolton, Lancaster, and Stow**

Wednesday, February 26th, 2026

Presented By:

Kirk Downing, Superintendent

Ross Mulkerin, Director of Finance and Operations



Presentation Overview

1. Our Why: Vision, Mission, Core, Values, Theory of Actions
2. Equality and Equity in Budgeting
3. FY27 Budget
 - Timeline
 - FY27 Budget Progression
 - Town Assessments
4. Summary and Next Steps

The NRSD Mission

Together, we inspire and challenge all learners to realize their unique potential and become active contributors to their community.



Our Vision



Nashoba Regional Core Values

We Value...

academic achievement and personal growth;
voice, choice, and agency;
lifelong learning;
a safe, caring, and inclusive community;
collaborative partnerships;
innovation;
a sense of belonging

FOR ALL.

The Nashoba Regional Theory of Action

Through communication systems and protocols, clearly aligned and articulated curricula, innovative practices, shared leadership, equitable opportunities and outcomes for all, and effective resource allocation, we will inspire and challenge all learners to realize their unique potential in becoming active contributors to their community.



Equality, Equity, and Standards in School Budget

SO 4.2: Articulate district priorities through the budget

Equality

Standard Staffing Approximations

- Administration: One Principal/Asst. Principal per 250 students
- Guidance Counselors: One guidance counselor per 250 students
- One Dean per 800 students per town
- Standard class size not to exceed 24 students per classroom (exceptions apply: eg., PE, performing arts) at the beginning of the school year or semester.
- Kindergarten through 2nd grade classrooms not to exceed 22 students per classroom at the beginning of the school year.

Equity

Complexity within the school environment is dynamic

- *Specialized programming for students with IEPs*
- *Specialized supports for students with IEP's and 504's*
- *English Learners*
- *Title I*
- *Multi-tiered systems of support (targeted instruction teachers)*



FY27 Budget Timeline: Completed to Date

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FY27 Budget Drivers

- Contract Obligations
- Benefit Increases

Summary of FY27 Operating Budget Work Updates (1/14/26 Budget Workshop to Present)

NRSC Date	Summary	FY27 Proposed Operating Budget	Proposed % Change from FY25
1/14/26	FY27 Budget Workshop	\$74,903,596	6.99%
2/11/26	Budget Update #1: Applied Governor's Budget and State Aid; minor salary adjustments; update insurance with MIIA range; applied special education adjustments	\$73,549,401	5.07%
2/25/26	Budget Update #2: MIIA rate applied; section reduction due to enrollment; updated offsets	\$72,601,650	3.72%

FY27 Proposed Budget Update #1
Presented 2/11/26
(key information)

FY27 Governor's Budget/State Aid

Expenses to District	FY26 Budget	FY27 Governor's Budget (released 1/28/26)	Difference
Charter School Tuition Out	\$861,277	\$746,031	-\$115,246
School Choice Tuition Out	\$461,607	\$511,965	\$50,358
Total State Expenses	\$1,322,884	\$1,257,996	-\$64,888

Reflected in
updated
Expenses

Revenue/Funding Source	FY26 Budget	FY27 Governor's Budget (released 1/28/26)	Difference
Chapter 70 State Aid	\$10,547,898	\$10,771,923	\$224,025
Regional Transportation Reimbursement	\$1,534,690	\$1,665,866	\$131,176
Charter School Reimbursement	\$299,130	\$161,661	-\$137,469
Total State Aid	\$12,381,718	\$12,599,450	\$217,732

Reflected in
Revenues

Special Education Cost Examination

Beyond costs associated with in-district personnel and programming, the two major cost lines for special education are:

Out-of-District (OOD) Tuition

- Tuition rates are set and approved by the Commonwealth's Operational Services Division (OSD)
- Additional services rates can be approved for individual schools by the OSD

Special Education Transportation

- Includes in-district and out-of-district transportation
- Rates vary based on provider, type of route, and additional needs (such as wheelchair van)

Special Education Costs Escalation

What are the factors that are impacting the cost of special education for the district?

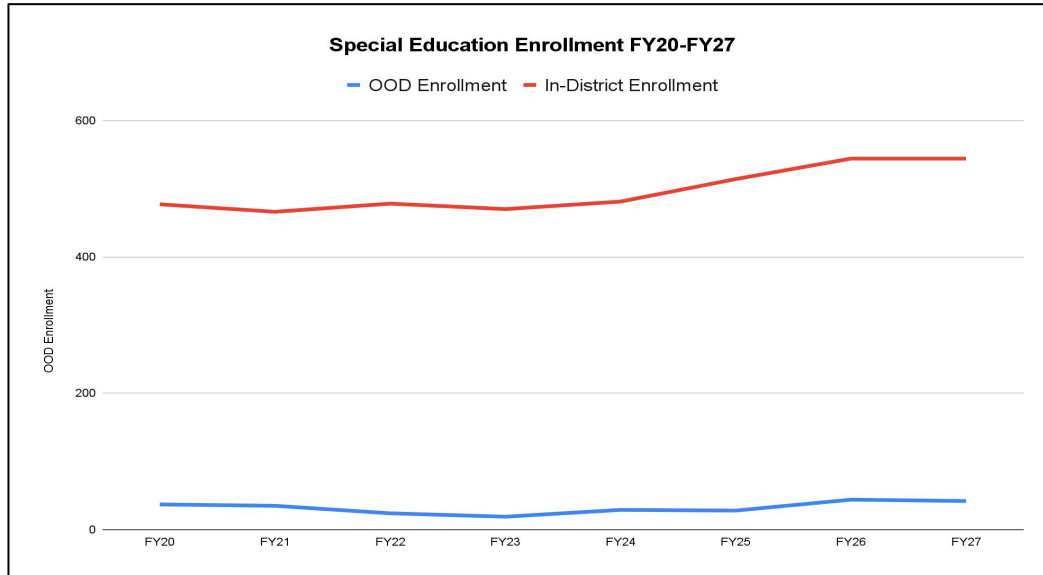
- Enrollment for Out of District Students
- Cost of Out of District Tuition
- Cost of Transportation

	FY23	FY24	FY25	FY26 (Budgeted)
Special Education Transportation	\$905,423	\$1,520,039	\$2,233,728	\$2,341,143
Out-of-District Tuition	\$2,581,232	\$3,160,993	\$3,993,727	\$4,685,662
Total Special Education Transportation and Tuitions*	\$3,486,655	\$4,681,032	\$6,227,455	\$7,026,805

*includes all funding sources including budget, Circuit Breaker, and grants

Cost Examination: Special Education Enrollment

	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27 (anticipated)
OOD Enrollment	37	35	24	19	29	28	44	42
In-District Enrollment	477	466	478	470	481	514	544	544



The range on Out-of-District
tuition for
NRSD in FY26 is:
\$62,310-\$338,317 per year

Cost Examination: Special Education Transportation

- Transportation contracts have been broken apart as “In-District” Contracts and “Out-of-District” contracts
- Those contracts have been serviced by AVC
- Last two years, both contracts needed mid-contract vendor changes and resulted in higher rates and cost to the district

	FY24	FY25	FY26
In-District Vans	15	15	18
OOD Vans	14	20	23

Cost Examination: Solutions in Progress

Begun process of negotiating outside of AVC contract to ensure route and cost efficiency

- Working on FY26 adjustments
- Implementing adjustments to FY27 budget

FY27 Special Education Transportation Budgeting Analysis		
	FY27 Estimate Under Negotiated Contracts	FY27 Estimate District Negotiated Contracts
In-District Routes	18	15
Out-of District Routes	23	18
AVC Contract Servicing	\$177,960	\$0
Total Cost	\$3,366,613	\$2,489,155

FY27 Budget: Expense Increases (since 1/14/26)

Budget update #1 Expense Increases	
Updating to Coach Salaries (FY27 adjustment)	\$13,314
Updating to Clerical Substitutes (based on review of actuals)	\$1,500
Updating to Substitute Nurses (based on review of actuals)	\$3,000
Transportation- McKinney Vento (based on review of actuals)	\$80,000
School Choice Tuition-Out Assessment (Governor's Budget)	\$11,154
Charter Schools Tuition Assessment (Governor's Budget)	\$67,783
Total Expense Increase	\$176,751

FY27 Budget: Expense Reductions (since 1/14/26)

Budget update #1 Expense Reductions	
Reduction in Active Health Insurance (reduced premium increase from 20% to 14.4%)	-\$422,755
Additional Active Health Insurance Offset (from School Choice Revenue)	-\$200,000
Reduction in Retiree Health Insurance (reduced premium increase from 20% to 15%)	-\$14,974
Reduction in Active Dental Insurance (reduced premium increase from 15% to 10%)	-\$10,103
Reduction in Retiree Dental Insurance (reduced premium increase from 15% to 10%)	-\$5,656
Special Education Transportation Cost Adjustment	-\$877,458
Total Expense Reduction	-\$1,530,946

*MIIA published Health Insurance increase range and district is budgeting at high end of range (14.4%) until final rates are received

**MIIA published Dental Insurance increase range and district is budgeting at high end of range (10%) until final rates are received

FY27 Budget: Expense Update (since 1/14/26)

Total Expense Increase	\$176,751
Total Expense Reduction	-\$1,592,446
Total FY27 Budget Update #1 Expense Change	-\$1,415,695

FY27 Proposed Budget Update #2
Presented 2/25/26
(key information)

FY27 Budget Update #2: Expense Increases (since 2/11/26)

Budget Update #2 Expense Increases	
Student Services Transportation Coordinator	\$80,000
Total Expense Increase	\$80,000

FY27 Budget Update #2: Expense Reductions (since 2/11/26)

Budget Update #2 Expense Reductions	
Kindergarten (Center)	-\$90,803
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Additional Athletics User Fee Offset to Athletics Transportation	-\$45,000
Total Expense Reduction	-\$1,027,751

*MIIA rep provided verbal Health Insurance increase of 11.5%

**MIIA rep provided verbal Dental Insurance increase of 5%

FY27 Budget: Total Expense Update (since 2/11/26)

Total Expense Increase	\$80,000
Total Expense Reduction	-\$1,027,751
Total FY27 Budget Update #2 Expense Change	-\$947,751

Annual Percentage Increase in Operating Budget FY23-FY27

	Budget	Increase
FY23 Voted	\$61,631,882	5.41%
FY24 Voted	\$64,256,266	4.26%
FY25 Voted	\$66,520,432	3.52%
FY26 Voted	\$70,012,144	5.25%
FY27 Proposed (as of 2/25/26)	\$72,601,650	3.72%

FY27 Town Assessments

Town Assessment Calculations

Assessments make up the remaining balance of the cost to educate once state aid (chapter 70 funds, local revenues, and Excess and Deficiency, etc.) are applied. There are three parts of the assessment:

- Minimum Local Contribution
- Variable Assessment
- Debt Assessment

System Wide: FY27 Capital Debt Payments

Capital Project	FY27 Principal	FY27 Interest	FY27 Payment	Final Payment	Remaining Principal
HS Track & Field	\$145,000.00	\$4,350.00	\$149,350.00	FY28	\$145,000
Leach Field & Fuel Storage BAN	\$48,000.00	\$10,291.33	\$58,291.33	FY30	\$144,000
HS New Construction Bond #1	\$480,000.00	\$1,411,500.00	\$1,891,500.00	FY54	\$27,990,000
HS New Construction Bond #2	\$1,325,000.00	\$3,168,400.00	\$4,493,400.00	FY54	\$71,775,000
Capital Debt Subtotal			\$6,592,541.33		
Less Athletic Revolving Offset			-\$25,000.00		
FY 27 Capital Debt Total			\$6,567,541.33		

Please see [Capital Debt presentation from December 17, 2025](#) NRSC for more information

FY27 Assessments



The Budget Process

"Building the Budget" Informational Video +

FY27 Budget Timeline & Updates +



Regional Agreement

"The Regional Agreement" Informational Video +

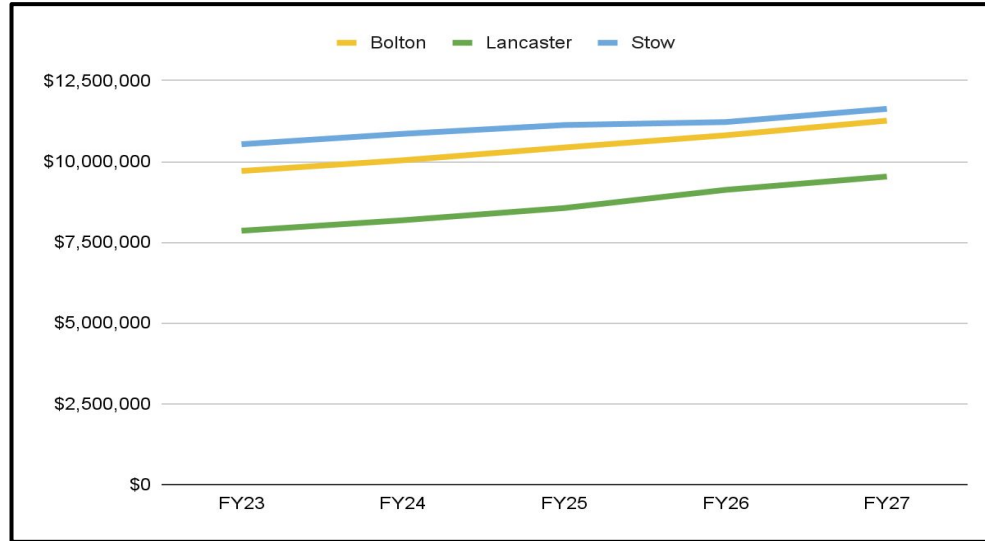
The Regional Agreement +

available at [NRSD Finance and Operations Center](#)

Minimum Local Contribution

The minimum amount of money a town must spend on education as determined by the Commonwealth of Massachusetts. The amount is calculated by the state using the Equalized Valuation of the town to determine the town's ability to pay. This is commonly known as the wealth factor.

Minimum Local Contribution



	FY23	FY24	FY25	FY26	FY27
Bolton	\$9,705,349	\$10,037,536	\$10,432,645	\$10,809,995	\$11,263,144
Lancaster	\$7,856,057	\$8,180,813	\$8,559,118	\$9,121,436	\$9,532,918
Stow	\$10,534,011	\$10,855,691	\$11,127,996	\$11,219,808	\$11,629,175

Variable Assessment

The variable assessment is the calculated fair share each town pays of the remaining budget balance minus the high school debt. As stated in the regional agreement...

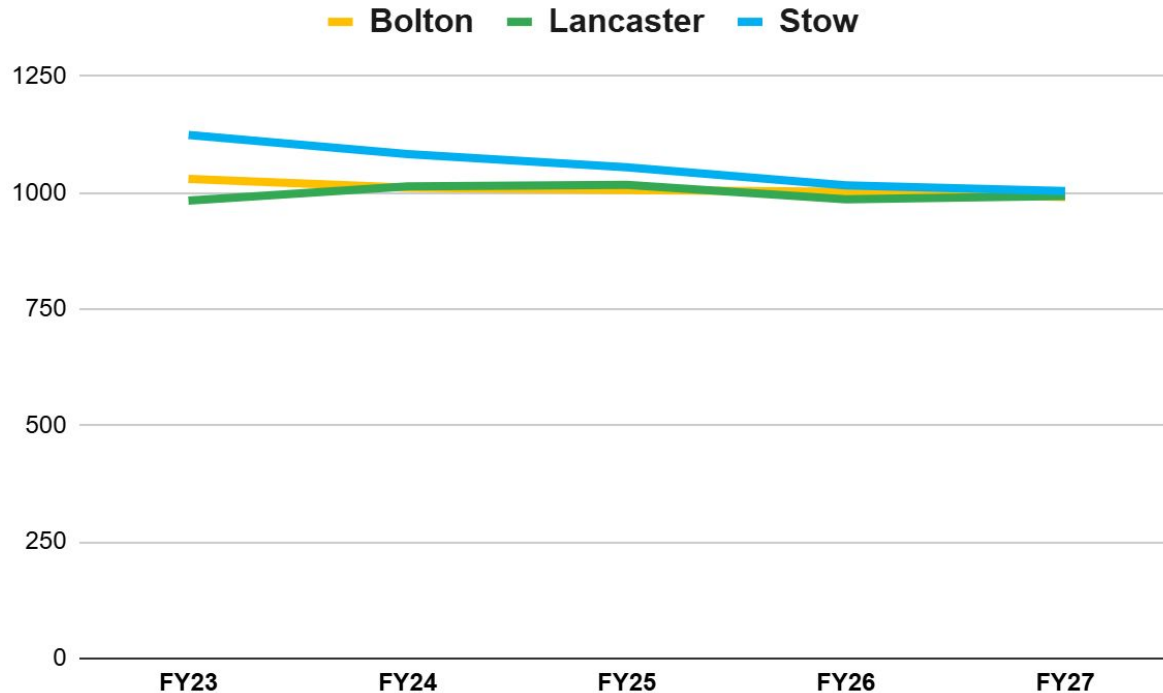
A member's share ... will be calculated on the basis of "foundation enrollment" as defined in M.G.L. c. 70, § 2 based upon a five-year rolling average. That is, for any fiscal year, a member will pay the same percentage...as that member's foundation enrollment for the preceding five years when the foundation enrollment figures for those five years are averaged.

DESE Foundation Enrollment: 5 Year Rolling Average Enrollment for Assessment

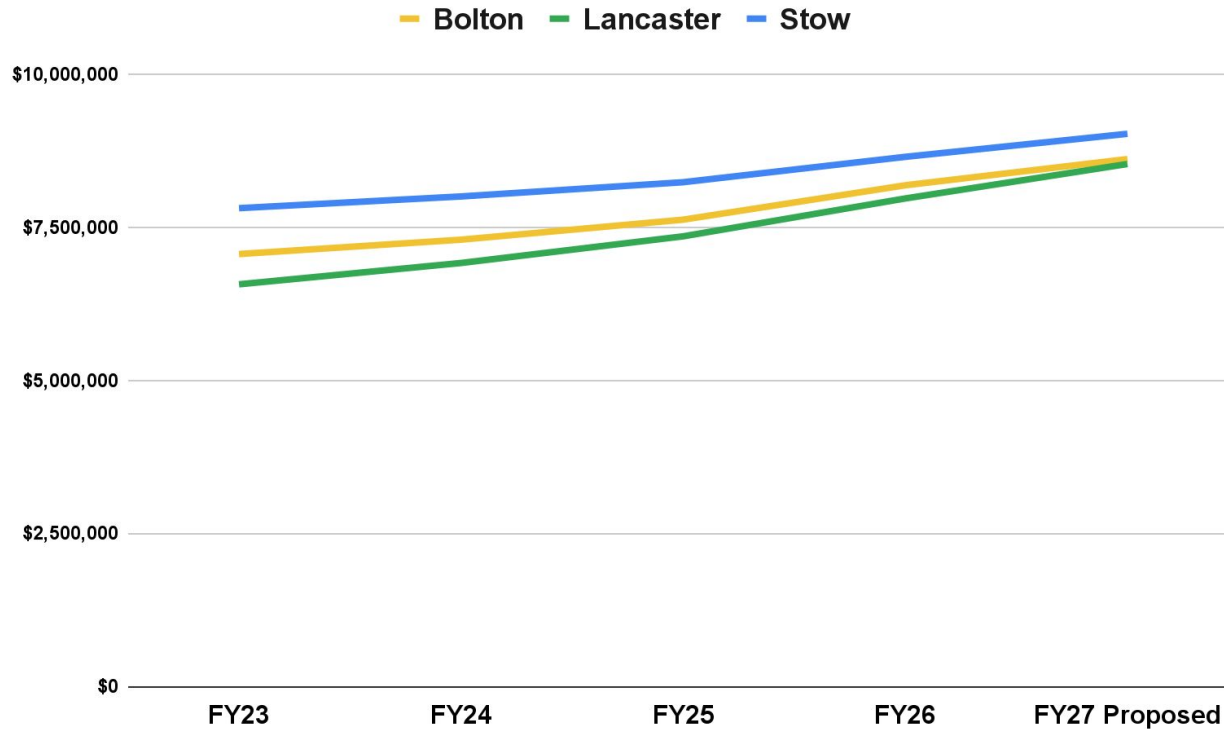
	FY27	FY26	FY25	FY24	FY23
Town:	1-Oct-25	1-Oct-24	1-Oct-23	1-Oct-22	1-Oct-21
Bolton:	991	1,002	1,006	1,011	1,030
Lancaster:	993	986	1,017	1,014	983
Stow:	1,004	1,016	1,055	1,083	1,124
Total:	2,987	3,004	3,078	3,107	3,137

Town:	FY26	FY27	Change
Bolton:	32.9986303%	32.9105761%	-0.088054169%
Lancaster:	32.1308179%	32.6022945%	0.471476534%
Stow:	34.8705518%	34.4871294%	-0.383422365%
Total:	100.0000000%	100.0000000%	0.000000000%

Foundation Enrollment Five Year Average for Assessment



FY23-FY27 Variable Assessment



FY26 Proposed Budget (as of 2/25/26)

	FY27 Proposed (as of 2/25/26)	% Increase over FY26
Operating Budget	\$72,601,650	3.72%

	FY27 Proposed	Increase from FY26	% Increase over FY26
Bolton- Operating Budget Assessment	\$19,814,081	\$818,921	4.31%
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FY27 Budget: Next Steps

March 4th: Public Hearing and Budget Update #3

March 11th: School Committee FY27 Budget Vote

May 4th: Bolton Town Meeting

May 4th: Lancaster Town Meeting

May 9th: Stow Town Meeting