



Fiscal Year 2026 Budget Development Process

Frequently Asked Questions

This FAQ document has been developed in order to provide the community with information about the FY2026 budget development process. The most common questions have been identified. It will continue to be updated as additional questions are presented. The document is organized into the following 'categories' of questions (click on any of these topics to be directed to that category area):

- [The budget development process](#)
- [Buildings/facilities](#)
- [Bussing/Transportation](#)
- [Staffing](#)
- [Special Education](#)
- [Technology](#)
- [Curriculum/Instruction](#)
- [Athletics](#)
- [Revolving fund accounts](#)

Questions Related to the Budget Development Process

What would a Level-Service Budget for NMRSD look like for FY2026?

Where we do not have numbers on staffing, health insurance, or state aid from the Governor (end of January), NMRSD, like in previous years, makes projections.

By simply maintaining what is currently budgeted, the Fiscal Year 2026 is projected to increase by 4.43% (\$3M) over FY2025 due to increased costs, less district revenue (E&D), as well as an increase in out-of-district placements. This would translate into approximately an 11% increase (assessment) for each of our towns, which is well above the 3% they can afford.

Why are we looking at reducing staff and closing buildings?

Unfortunately, there is nowhere else to reduce when it comes to accommodating such a large number. Most areas have already been reduced to their minimums to balance previous years.

What does the classification of 'hold harmless' from DESE mean and how does it impact our budget?

A "hold harmless" classification means that a school district receives at least the same amount of Chapter 70 education aid as it did in the previous fiscal year, regardless of changes in enrollment or other factors that might otherwise reduce funding. This is designed to provide financial stability to districts, preventing sudden decreases in state aid that could disrupt educational services.

For our district, being classified as "hold harmless" means that our Chapter 70 aid will not drop below the amount received in the prior year. This guarantees a minimum level of funding; however, our district may not benefit from increases in aid that other districts receive due to factors like rising enrollment or changes in the funding formula. Consequently, our budget remains relatively static, limiting opportunities for expansion or new initiatives unless additional funding sources are identified and placing additional financial burden on our member communities.

While “hold harmless” provides short-term financial predictability, this can also lead to long-term challenges. Over time, as the district needs grow but state aid remains flat due to the hold harmless status, we face budgetary constraints that impact educational programs and services.

Why is the budget development for the school district so difficult this year? Is this a new problem and have the schools been mismanaging their funds?

For at least the last 7 years, NMRSD has finished out the school year in the black. Using last year as an example, the district finished out the year \$1,400,000 in the black. Any remaining funds are certified as available for future year appropriations. The \$1,400,000 together with the additional revenue received resulted in a certified excess and deficiency (E&D) of \$1,800,000. This is approximately \$800,000 less than last year. The reduction in the available funds and E&D have resulted in a revenue projection substantially less than in prior years. Any increases in the NMRSD budget end up being funded by town assessments.

This is not a new issue for the district. For a number of years, the level of state funding has been minimal, which has resulted in increases in town assessments and cuts in the school budget to meet this gap. As discussed by the town administrators at the budget forum on November 18, 2024, the percentage of funding from local (town sources) to state funding has adjusted significantly over the last twenty years. In the last two decades, the town portion of the school district’s budget was approximately 40% and the state was funding approximately 60% of the school budget. Currently, the split has basically reversed, with the towns funding approximately 60% of the school budget and the state funding only 40%.

If the state funding formula provided for even a 1 percent increase in the Chapter 70 funding each year, the town’s portion of the budget would likely have remained around 40% and the budget development discussion would look very different for our district.

What options are the school district exploring as part of the budget development process? Is the administration only presenting scenarios that involve closing of schools and reduction of teachers (increasing class sizes)?

The administration is looking at a variety of options for cost savings, as we do each year when budgets are developed. Each department is currently preparing their proposed budget, which will be provided to the business office to incorporate into a comprehensive proposed district budget. Because the district has made cuts throughout the years in order to work towards the town's financial capacity (given the challenges with the minimal increases each year to the state funding), there are minimal places to reduce without significant impacts. Identified cost savings do not even come close to the reduction required to provide an assessment increase of 3% that the towns have requested.

That being said, the administration has and will continue to examine potential savings opportunities in the following areas (note: while the administration may explore an option, not all options are feasible/appropriate and not all options will be recommended by the administration to the school committee for consideration):

- Staffing reductions (administration, clerical)
- Supplies/materials reductions
- Analysis of curriculum programs and opportunities to save/reduce costs
- Transportation
- Special Education software
- Translation services
- Consolidation of services with neighboring towns/districts
- Energy efficiency savings
- Class sizes
- Revenue generating strategies (ie. user fees, school choice, preschool programming, etc)
- Expanding in district special education programming to service students currently placed in out of district placements
- Tuitioning in students to our Gateway program for 18-22 year olds
- Tuitioning in students to our PK-4 LEAP program
- Partnering with area privately owned preschool programs to provide special education services at the preschool program site

- Relocating of some or all our in-district special education programs to other schools in the district

Please keep in mind that all final recommendations by the administration are based on the administration's analysis of areas that minimize the impact for students long term.

Are there any grants that the district can apply for to help offset budget shortfalls.

There are generally two types of grants that the district applies for: entitlement and competitive. Entitlement grants are typically funded through the Federal Department of Education for areas such as special education and to support other federal programs, such as Title I. As the name suggests, we are entitled to the funds that have been allocated, but must write a grant that explicitly defines how the grant funds will be used. The superintendent must sign an assurance document for these grants certifying that the district will use these funds in compliance with the grant initiatives and the no grant funds will be used to supplant (replace/offset) the local district budget.

Competitive grants are sought by staff in the curriculum office and by the part time district grants manager. These grants often are highly competitive and often awarded to districts that meet some type of priority (ie. higher percentage of free/reduced lunch, other demographic areas, or higher levels of academic need) that typically disqualify us from eligibility. For the grants that we do secure, as with entitlement grants, funds from these grants can not be used to supplant costs from our local budget.

What are the outgoing assessments for Charter and school choice students? Is this another unfunded mandate?

This is the assessment to NMRSD for students attending Charter and other choice schools. It needs to be in the budget but changes sometimes depending on the formula that the legislature uses through the budget process. These assessment amounts are included on the Cherry sheet and the charter and choice formulas change but the Cherry Sheet manual has a more detailed explanation for these assessments here: Cherry Sheet Manual

Questions Related to Buildings/Facilities

Are building closures one-time savings or annual? What would the savings be for the buildings that are being considered?

Any building closure savings is based on facilities and technology reductions and this would be a permanent reduction to those lines. In addition, various options or combinations may reduce staffing due to combined grades. That said, increases that are year over year such as utilities (in remaining buildings), collective bargaining, health insurance would continue to grow as is expected every year but the overall fixed and ongoing maintenance costs in the district would be reduced permanently. The estimated savings for the building costs and technology savings are as follows (these numbers do not include any savings that might be found by combining grade levels):

Spaulding Memorial School (Leased)	\$ 535,084 per year
Hawthorne Brook (District-Owned)	\$ 644,529 per year
Ashby Elementary (Leased)	\$ 380,885 per year
Squannacook Early Childhood (Owned)	\$ 391,090 per year
Varnum Brook Elementary (Owned)	\$ 608,590 per year
Nissitissit Middle School (Leased)	\$ 706,357 per year
NMRHS (Owned)	\$1,408,823 per year

Why isn't the district considering closing SECC as opposed to other schools.

SECC is both district-owned and is the only building other than the high school with a modern HVAC system as all classrooms have air conditioning. In addition, this building shares a subsurface septic system and networking systems with Hawthorne Brook Middle School.

Is it possible to close Varnum Brook and place those students into Nissitissit?

Both Varnum and Nissitissit are full so there is no way to combine them. There is also no room in the district to completely absorb the students in either building.

Is it required that each town have a school?

It is not a requirement, nor is it identified in the existing regional agreement. However, the draft regional agreement that members of the school committee have been working on for the past two years does identify that expectation. In order for the regional agreement to be passed, it must first be approved by DESE and then by ALL of our member communities at a town meeting.

What buildings are the district exploring for potential closure?

At the November 14, 2024 school committee meeting directed the superintendent to explore school closing options to present to the committee at the meeting on December 3, 2024. The superintendent, working with the administrative team, is exploring a variety of school closure and grade configuration options. There are a variety of options and all appropriate school buildings have been considered in the development of options. This includes looking at capacity of buildings, student needs, interests of supporting the communities in maintaining a school building as a community resource, as well as long term implications to account for potential increases in student enrollment over the years.

Are there class size maximums?

There is nothing at the state level that dictates how small or large a class can be when it comes to the student population for grades 1-12. For kindergarten, class size cannot exceed an average of 25 students (603 CMR 8.01(3)) There are also laws and regulations that dictate this when it comes to the size of special education classrooms. Special education classrooms that service eligible students outside of the general education setting for 60% or more of their school schedule cannot exceed 8 students to one certified special education teacher or 12 students to one certified special educator and an aide (603 CMR 28.06(6d)).

What buildings does NMRSD Own versus Lease? What would happen to a closed building?

<i>Own</i>	<i>Lease</i>
NMRHS	AES
VBES	SMS
HBMS	NMS
SECC	

Selling a district-owned building is difficult because it requires special legislation because there is no authorization for a regional school district to sell a building. Leasing out a building is also a challenge, which is evident by the amount of available office space in Townsend. Finally, SECC and HBMS share both a subsurface septic system and networking systems making a sale of either property difficult.

What is the capacity of our buildings?

In determining the capacity for each building, the administration identified all available classroom spaces in each building and reduced that number by the current usage for dedicated special education program spaces and classrooms that are needed for specialist classes (ie. art, music, etc). Then, the administration multiplied the number of available classrooms for general education usage by a class size maximum of 24 students (to stay in alignment with the current school committee policy regarding class sizes). With the potential budgetary need for increased class sizes, the overall capacity for each building would increase.

A link to the capacity chart using this calculation can be found [here](#).

Only substantially separate SPED programs appear to be listed on the capacity chart (see previous question). Every school has special education teachers. Where do they teach?

Inclusion teachers spend the majority of their day co-teaching in content area classrooms. When there are pullout services, the class size is much smaller and does not require full-size classrooms. Smaller work spaces were included in the calculation of building capacity for full-size instructional spaces.

Are there any energy efficiency protocols/mechanisms in place such as automatic lights or timers?

Most lighting in the district is motion sensitive. The high school lighting is both motion sensitive and on timers.

Questions Related to Bussing/Transportation

Are there rules around how long a bus ride can be?

In Massachusetts, regulations concerning the maximum duration of school bus rides differ between general education and special education students.

There is no specific state-mandated limit on the length of bus rides for general education students. Local Education Agencies (LEAs) are responsible for establishing transportation policies, which may include guidelines on ride durations. These policies can vary by district.

The only rules apply to special education which states that transportation to a special education placement should not exceed one hour each way, unless the Individualized Education Program (IEP) Team approves a longer duration. 603 CMR 28.06(8a)

Can we charge for busing?

In Massachusetts, regional school districts are not permitted to charge fees for in-district transportation. Comprehensive school districts can charge ridership fees for grades 7-12 as they do not receive state reimbursement. (Mass. Gen. Laws ch. 71, § 16C)

Does NMRSD bid out its transportation services?

Yes - we are required by law to do so (M.G.L. c. 30B). However, the district has not received a second bid for regular or special education transportation for at least the last 7 years.

Questions Related to Staffing

Why isn't the district looking at reductions in central office or building administration.

Currently, NMRSD is well below the state average per 100 students when it comes to Administration. (see RADAR data chart below). In fact, of the 394 districts included in this data for 2022 (most current year of data), North Middlesex has fewer administrators (per 100 students) than 358 districts. (Over 90% of Massachusetts districts have more administrative staff than NM)



(Source: [DESE RADAR Data](#))

Building leaders are by trade supposed to be instructional leaders. However, due to a myriad of issues that oftentimes originate outside of school, building leaders are dealing with behavioral, social-emotional, social media, civil rights, bullying, Title IX, etc. leaving little time for their intended role. Central office administration has shifted to more of a coaching model and support in our schools in addition to their other responsibilities. It is also important to point out the significant time that must be dedicated to our required educator evaluation system.

Why isn't the district looking at reductions in other support staff (ie. clerical, technology, etc).

Similar to the data around administration staffing levels, North Middlesex is significantly below the state averages (according to the 2022 RADAR data) in regards to clerical and tech support staff. (see chart below). Of 390 districts included in the clerical staffing data, North Middlesex has less clerical support

(per 100 students) than 349 other districts. Of 319 districts that were included in the tech support staff data, North Middlesex has less technical support staff (per 100 students) than 292 other districts.

Why has staffing increased over the years, while the district has reported reductions in staff positions?

In Superintendent Morgan's presentation during the budget forum on November 18, 2024, he identified 27 positions that have been eliminated just since 2022. These positions included classroom teachers, paraprofessionals, counselors, administrators, and clerical staff. However, at the same time, the district has had to add a number of positions (primarily in the special education and multilingual learner staff). These additions are a result of both federal and state regulations around service delivery for these specialized populations. As a result, our overall teaching staff numbers have remained consistent with state averages (according to the RADAR data), but we have a greater percentage of staff in the area of special education versus regular education staff than the state averages. While the number of multilingual staffing has increased over the past 3 years, the staffing pattern is comparable to state averages.



(Source: [DESE RADAR Data](#))

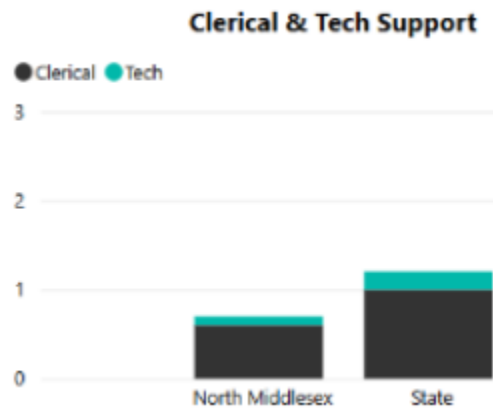
Why is there so much clerical support at the central office?

The central office has four clerical/administrative assistant positions with district-wide responsibilities:

1. **Executive Assistant** - This role supports the Superintendent; Assistant Superintendent; Director of Title I, Early Literacy & Family Engagement;

Director of Data, Accountability, & Absenteeism; and the School Committee.

2. **Special Education Administrative Assistant** - This position also includes transportation oversight for special education)
3. **Benefits Specialist** - This position also directly oversees employee benefits and serves as the medicaid program coordinator for the district.
4. **Buildings and Grounds Secretary** - This position also processes all CORI checks for the entire school district.



(Source: [DESE RADAR Data](#))

Questions Related to Special Education Costs

Why does NMRSD operate a PreK Program at a financial loss?

As a public school, we are required under federal and state law to offer an integrated PreK program beginning at age 3 for our students with disabilities (603 CMR 28.06(7)). The student breakdown should meet the following requirements:

- 51% Typical/General Education Students
- 49% Special Education Students

For many students, this is a two-year program. Special education students attend free of charge as required and the general education students are charged a tuition. Where the classes max out at 15 students, the tuition of the 8 General Education Students per classroom does come close to covering the costs of the classroom teachers, aides, service providers, a nurse, a secretary, a custodian, and general building operational costs.

We do have to make the program as affordable as possible for the General Education Students as their main purpose is to serve as community peers and role models for the Special Education Students.

Why is the PreK Program located at SECC as opposed to Ashby?

Where PreK is an integrated model, it must maintain a student population of 51% general education and 49% special education students. Transportation for special education students to AES would come at a significant cost increase as the majority of students are from Pepperell and Townsend so a central location is key. Additionally, it is likely that we would face a challenge in maintaining the required number of tuition-paying general education students as AES is not centrally located and many families drop their children off on their way to work.

Why are the district special education sub-separate programs in Pepperell as opposed to Ashby?

The majority of students in these programs are from Pepperell and Townsend. When the programs were moved from AES to VBES, the district saved between \$200-300K in special education van transportation. The district saved

additional money because travel time was eliminated for most of our service providers (speech and language pathologists, occupational therapists, etc.) as the majority of services were now in Pepperell.

Questions related to technology

Are the computers in the district properly sized for the job being done?

Yes, the district purchases the lowest cost options that will meet the requirements for the purpose and run them for approximately 5 years. The district anticipates adjusting refresh rates with the current budget which will mean running our computers for approximately 6 years.

Have software licenses been evaluated, looked at for duplication, re-negotiated?

Software licenses are examined annually and further reductions in licenses are being aggressively evaluated for the current budget.

What are the N&T and IT Hardware lines in the technology budget funding?

The N&T budget lines are for both network (N) and telephone (T) related costs including phone and internet & fiber services, hardware replacements, and related licensing. Internet services are partially paid through [Erate](#). The hardware portion of N&T includes support contracts and replacements for network switches, servers, wireless access points, and the telephone system. Part of the funding from these lines is used for projectors, document cameras, printers, etc. The size of the referenced IT Hardware budget line is primarily due to replacement costs for the 247 projectors in the district which are replaced on a roughly 10 year cycle followed by the 273 document cameras which are replaced on a roughly 6 year cycle. Most printers are actually "purchased" through credit from toner cartridge returns so they do not represent much of the line. The \$10K for central office is used for central office computers, printers, and related peripherals. These lines, along with all technology lines, are actively examined for reductions annually with consideration for the overall budget.

The copier costs seem excessive. When was the contract last looked at and size/function of machines?

Copiers are sized by usage and evaluated every three years. Our current contract was purchased through the state contract for a 3 year lease with the lease ending July 2026. Overall printing requirements and costs are examined annually and the district is migrating a larger percentage of printing

towards copiers, reducing stand-alone printers, due to a lower per-page printing cost through copiers.

Do we need to use a copy management/tracking program to reduce waste?

The district has explored implementing a printing management/tracking program on several occasions but has not implemented one because the annual license cost for the program has always proven to be cost prohibitive, even when offset by the anticipated paper and toner savings. With an anticipated reduction to the number of printers, forcing more printing towards copiers with a lower per page cost, we will be re-examining this option. Programs to reduce waste are commonly most beneficial if the majority of printing is through copiers with limited access to separate printers.

Can the high school shift to a Bring Your Own Device Model (BYOD) as a cost savings measure?

Bring Your Own Device (BYOD) options for the high school were explored but rejected based on the following concerns:

- **Conflict with current School Committee Policies:** BYOD would require a reversal of the recent cell phone policy enforcement that has led to an improved classroom environment.
- **Equity Issues/Family Cost:** BYOD devices have proven to result in equity issues for families that may have issues/challenges with cost.
- **Liability issues:** BYOD presents some liability questions for lost and damaged devices at school.
- **Monitoring of Programs/Student Usage on BYOD:** The district currently uses programs which block access to inappropriate sites in an educational setting. If students were bringing in their own devices, this would hinder the district's ability to ensure safe, appropriate technology use.
- **Security:** Students may use devices with varying levels of protection, and there is a risk of malware, data loss, or theft.
- **Network:** BYOD can overload a school's wireless network, and it can be difficult for the technology department to manage the bandwidth.
- **Cheating:** BYOD may increase the opportunity for cheating.
- **Distraction:** Students may be more distracted on their personal devices.

- **Compatibility:** Applications that are currently used by the district may need to be uploaded to student BYOD computers, which may be limited by capacity and currency of the devices being brought in by students.
- **Syncing:** It can be difficult for IT to sync educational software and roll out patches on BYOD devices.

Can we reduce the number of Chromebooks in the district?

The district is actively evaluating ways to reduce the number of Chromebooks and student devices in general as part of the anticipated technology reductions. This will include a reduction of computer labs where access to Chromebooks is considered a higher and more cost effective priority and re-evaluating Chromebook distribution models to identify any possible savings and areas where a direct reduction is possible.

Considerations include:

- Chromebooks are the most cost effective method of meeting common testing requirements. This includes MCAS, ACCESS, SAT/PSAT, as well as district managed assessments.
- Use of district owned Chromebooks assigned by grade level allows the district to make software applications available to all students within a grade level and customize settings by grade level. For example, select kindergarten applications are available without the need for students to log in, addressing developmental requirements for that grade level.
- Use of district owned Chromebooks allows the district to comply with the Children's Internet Protection Act, block problematic websites from student access, and use classroom management applications at the Middle School level for teachers to manage student Chromebook use
- Universal individually assigned Chromebooks allowing for students to have accessibility settings configured for their individual needs retained on the device without the need for an IEP or 504 to require an individually assigned device.
- Individually assigned Chromebooks allows for accountability for damaged devices and reduces incidents of misplaced Chromebooks
- At schools where computer labs will be removed, Chromebooks are required for computer access in STEM classes.

Questions related to curriculum/instruction

Can we sustain the team model at the middle school level with current enrollment and budget?

It is a challenge to maintain this model and depending on any potential grade-level/building reconfigurations, this might need to be explored. The team model does provide for greater opportunities to support student needs and for teachers to collaborate across content areas (and plan/implement instruction across content) in a team approach.

Over recent years, the district has implemented new curricular programs (ie. PLTW, Investigating History, Illustrative Math, Expeditionary Learning). How were these programs funded and what long term budgetary impact have these programs resulted in?

These programs provide high quality instructional materials and programs in accordance with state frameworks. They have also been adopted to promote greater consistency between schools across the district. They promote increased accountability between teachers and schools. The programs were initially adopted with grant funds. While some of the programs have continued costs for maintaining them, the costs are comparable to what we would have been paying annually for existing program expenditures.

Questions related to athletics

With regards to the athletics budget, can uniforms or equipment be paid for through revolving funds (ie. turf rental or athletic donations)?

If the turf is paid off with funds during this fiscal year, there is a potential to use some funds in these line items to offset uniform and equipment costs for our athletics program. The turf rental has brought in approximately \$15,000 annually over the past few years.

Should we be putting a cap on extra-curricular activities or athletics stipends each year?

The district will explore this option in a little more detail. Some of these stipends can be funded through fundraising activities, donations and gate receipts. Exploring what type of cap we are considered and how those determinations would be made would be necessary. This would guide decisions for which activities/sports would be allowed to run and which ones would not get funding.

Questions Related to Revolving Fund Accounts

Why doesn't the district utilize revolving funds to help with our current budget shortfall?

First and foremost, it is not fiscally responsible to utilize these funds to pay for recurring costs because when the funds are gone, those costs will become part of the operating budget.

Additionally, where the district currently utilizes most of its Excess & Deficiency funds (which has been requested by the towns, but is also not a recommended practice), the district would not be able to address emergencies as they arise. For example, every building requires 2 boilers. If one goes down, it needs to be replaced. Depending on the building, boilers can range from \$150-300K and many are old. This is just one example but other high cost items are kitchen equipment, security needs, roofs, emergency special education staffing.

Keep in mind that using one time funds will leave us behind next year (FY27) especially if a department budget is reduced that we know will be needed next year. This has already happened with some of the ESSER costs and the Keystone rental. That funding will eventually not be coming in. Early FY26 revenue projections include using 100% of E&D and reducing balances in the revolving accounts could leave us in a really tough spot if large unanticipated expenditures occur. Some of the revolving funds are program specific and should be used to support the program for which they were received. For example, preschool revolving funds should be supporting the preschool program.

Additionally, With lower reserves, the district bond rating might be impacted (this is probably already an issue since all 2.6m from E&D was used last year). There is still borrowing happening for capital projects so making sure the district has a solid financial picture and response for the Bond rating call. Questions about using reserves and our budget management will likely come up.

The district currently has the following revolving accounts which may have specific guidelines in terms of how these funds can be utilized:

- **School Choice Funds** - Spending is approved by the School Committee but typically includes using approximately \$450K each year to pay for health insurance and another 70k to offset the turf field lease. School Choice funds were also used to pay the run out claims for Minuteman Nashoba in FY24 (FY25 shifting health insurance provider). The numbers of school choice students the district has accepted has been going down (a one time adjustment was received in FY24 of around 100K that will NOT reoccur), the total received last year was around \$450k. There is a plan to make a final payment and pay off the turf field to save the cost of interest. The payoff for the turf field is currently approximately \$400K.
- **Donations** - These funds are handled at the school level and principals use these funds for various things that the budget can not cover. Sometimes a donation has a particular purpose such as funds from a PTO for a specific piece of equipment etc. Normally, the use of these funds is decided by principals and not always replenished. Some of the school's balances have increased over many years.
- **Tuition** - Funds used to support teachers/paras in the special education programs generally. Each year there are a few students each year that tuition into the district. Using much more than the revenue coming in each year would be a one time use and not recurring. Revenue last year was around 65K but fluctuates based on the students enrolled or if they move in or out of the district.
- **Building use** - This fund has increased because of the changes in the facility use. The plan for these funds is to eventually support the larger projects that need to happen such as projectors, building repairs/updates etc. Overtime costs for building use are included in this line and other costs related to Building use.
- **Preschool Revolving** - Funds used to support a teacher or two in some years. It has brought in around 120K a year and has accumulated over time. Using more than this over time would be non-recurring.
- **Before and after care** - Funds are used to create a self sustaining program. There was a balance that rolled over when the district utilized an outside vendor. Using this portion of the funds would be a one time use and should be used for something that connects to this program. The plan for the funds is to use larger projects that might be needed and connected to before/after care. A portion of these funds is used to offset

custodial costs but could potentially be expanded if there is a replenishing of the funds.

Can we use any potential excess revolving funds this year to pay off current debt that is not paid for in the debt exclusions by the towns?

Many of these costs are not covered through the local budget, so paying them off this year would not necessarily result in a reduction to our proposed budget. There are a few leases that are included as part of the Capital Plan for Fy26. If these leases were paid out of revolving, we may need to increase the capital funds in a future year for the next year approved capital plan. This type of shift is a one time savings and increasing the capital plan budget back to \$250 if it is reduced will be very difficult in future years. The district continues to explore ways that we might be able to reallocate costs through our revolving accounts.

Are there any one time costs (ie. capital improvements) that can be funded through the revolving accounts (ie. technology improvements)?

There is about \$2 million in revolving accounts that can be used for one time costs. Some of the revolving funds need to be related to the building or facility costs where the program exists. For example, After school programs could be used for costs/utilities that relate to running the program or the building where it is housed. (AES, SMS and VBES) However, there is likely not 2 million in one time costs in the budget to free up. Actually, most expense line items are annual needs and not one time costs. (examples include consumable textbooks, online tools, professional development etc)