

## FY 2026-27 BUDGET COMMITTEE SUMMARY

The District is presenting a responsible and conservative proposed budget that is lower than both last year's budget and the statutory default budget. This reflects deliberate efforts to:

- Align staffing to actual student needs
- Correct historical budget practices
- Stabilize district operations

However, the district is also facing significant decreases in revenue, particularly in:

- Grant rollovers
- Medicaid reimbursement timing
- Adequacy aid
- Federal nutrition claims

These external revenue reductions increase the importance of maintaining a budget that meets student needs while remaining fiscally sustainable.

## Overview of the FY26-27 Proposed Budget

The District's Proposed Operating Budget for FY26-27 is \$12,197,846.

For comparison:

Budget Category	Amount
FY25–26 Approved Budget	\$12,262,993
FY26–27 Default Budget	\$12,800,715
FY26–27 Proposed Budget	\$12,197,846

## Key Points

- The proposed budget is lower than last year's approved budget, reflecting ongoing efforts to right-size staffing and align spending with actual needs.
- The default budget is higher because it must include all staffing positions that existed during the FY25-26 year.
- The proposed budget reflects the newly aligned staffing model due to declining enrollment and a Special Ed audit.



**SCHOOL ADMINISTRATIVE UNIT #51**  
23 Oneida Street, Unit 1  
Pittsfield, New Hampshire 03263  
Phone: (603) 435-5526 • Fax (603) 435-5331  
Dr. Sandie MacDonald- Superintendent of Schools

## Revenue Summary

Anticipated revenue for FY26-27 is significantly lower than prior years due to multiple external and structural factors.

### Comparison of Revenue

Category	FY25 Revenue	FY26–27 Anticipated Revenue	Change
Total Anticipated Revenue	\$1,407,302.58	\$492,000	-\$915,302.58

### Explanation of Revenue Declines

#### *A. Loss of Three-Year Federal Grant Rollovers*

FY25 was the final year in which the District could utilize three-year rollover balances from federal programs. These rollovers had previously been used to:

- Cover grant activities not billed correctly over multiple years

The elimination of rollover capacity results in a substantial decrease in available grant revenue for FY26-27.

#### *B. Child Nutrition Revenue*

Child nutrition revenue is lower this year because:

- The projected number of student meal participants is currently lower.
- Actual claims may increase if more families enroll during the year.

This is a conservative estimate based on data available at the time of reporting.

#### *C. Medicaid Reimbursement*

Last year's Medicaid revenue was unusually high because:

- The district processed a backlog of older Medicaid claims.

This year:

- A new company is managing Medicaid billing
- Processing delays have temporarily slowed reimbursements

This results in a lower estimated Medicaid revenue until claims are fully up to date.

## Adequacy Aid Reduction

New Hampshire adequacy funding is also decreasing.

Category	Amount
<b>FY25 Adequacy (100% funded)</b>	<b>\$5,540,933.88</b>
<b>FY26-27 Adequacy Allocation</b>	<b>\$5,126,088.35</b>
<b>Guaranteed at 95%</b>	<b>\$4,869,783.93</b>

### Key Implications

- This is a major reduction in state education funding
- Adequacy alone is decreasing by over \$670,000 when comparing last year's 100% funding to this year's 95% guarantee
- ADM (Average Daily Membership) decreased by 36 students this year from last year
- Free and Reduced membership decreased by 17 students

## Health & Dental Insurance Costs

Coverage Type	2025-2026 Health	2026-2027 Health	\$ Increase	% Increase	2025-2026 Dental	2026-2027 Dental	\$ Increase	% Increase
<b>Single</b>	\$13,473.49	\$14,962.89	<b>+\$1,489.40</b>	<b>11.05%</b>	\$520.42	\$543.36	<b>+\$22.94</b>	<b>4.41%</b>
<b>2-Person</b>	\$26,946.97	\$29,925.78	<b>+\$2,978.81</b>	<b>11.05%</b>	\$1,005.41	\$1,049.57	<b>+\$44.16</b>	<b>4.39%</b>
<b>Family</b>	\$36,378.40	\$40,399.85	<b>+\$4,021.45</b>	<b>11.06%</b>	\$1,798.37	\$1,877.47	<b>+\$79.10</b>	<b>4.40%</b>

### Key Implications

- Health premiums rose by approximately 11% across all plan types
- Dental insurance saw a more modest increase of approximately 4.4%
- These increases affect all employees who participate in district-provided benefits and represent one of the most significant upward cost pressures in the FY26-27 operating budget



**SCHOOL ADMINISTRATIVE UNIT #51**  
23 Oneida Street, Unit 1  
Pittsfield, New Hampshire 03263  
Phone: (603) 435-5526 • Fax (603) 435-5331  
Dr. Sandie MacDonald- Superintendent of Schools

- The District has worked to offset these increases through staffing adjustments and budget realignment, which is why the proposed operating budget remains lower than both last year's approved budget and the statutory default budget
- The magnitude of the health insurance increase must be recognized as a major structural driver of expenditures for the coming fiscal year

### **Overall Impact**

- Rising insurance premiums add pressure to the District's budget even as staffing has been right-sized
- Continued management of staffing levels and benefit participation is essential to balancing student needs with taxpayer capacity

In short, while Pittsfield is presenting a leaner and more accurate budget this year, insurance inflation alone creates several hundred thousand dollars in unavoidable added costs.



**SCHOOL ADMINISTRATIVE UNIT #51**

**23 Oneida Street, Unit 1**

**Pittsfield, New Hampshire 03263**

**Phone: (603) 435-5526 • Fax (603) 435-5331**

**Dr. Sandie MacDonald- Superintendent of Schools**

## **PROPOSED WARRANT ARTICLES DOLLAR AMOUNTS** (as of 12/10)

**Operating Budget- \$12,197,846**

**FY25 Deficit- \$633,362**

**Unanticipated Prospect Mountain High School Tuition- \$248,054**

**Collective Bargaining Agreement- TBA when ratified**