







Fiscal Year 2027 Community Override Discussion

James E. Adams
Superintendent



“

-  "This budget is personnel-driven — **79% of all costs are salaries and benefits**, reflecting our investment in the educators who serve our students daily."
-  "Our primary fiscal goal this year is **ending the district's reliance on one-time School Choice revolving funds** to cover core operational costs."
-  "We have **two paths forward**. One requires community investment through an override. One does not — but comes with real consequences for programs and staffing."
-  "Every decision in this budget reflects our commitment to **students first** — protecting their classroom experience and support systems."

Jim Adams

Superintendent of Schools

The True Cost of Running APS



Total True Operating Cost

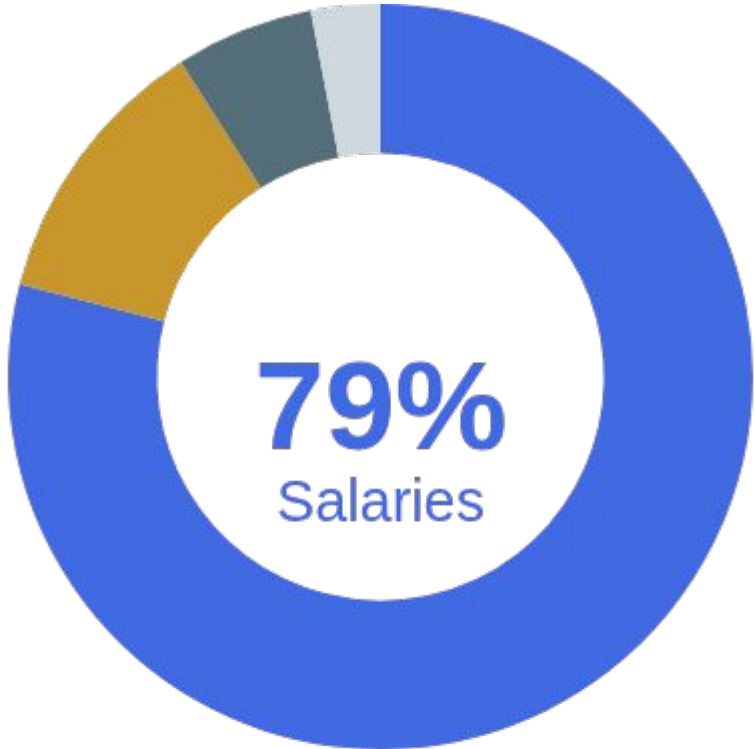
~\$48.9 M

🏠 Town Appropriation (FY26)	\$44,486,864
💰 Grants & Revolving Funds	~\$4,400,000



79% of the total budget is dedicated to personnel salaries.

Budget Allocation Breakdown



- Salaries (79%)
- Special Ed & Transportation (12%)
- Utilities & Operations (6%)
- Other Expenses (3%)

Two Budget Paths for FY27



Option 1

6.18% Operational Override

\$47,236,865

↑ \$2.75M Increase over FY26

- 🛡️ **Structural Stabilization:** Secures long-term financial health.
- ✅ Moves **\$1.1M** in recurring salaries to the general operating budget.
- ✅ Fully funds **Athletics (\$300k)**, eliminating the structural deficit.
- ✅ Ends reliance on variable School Choice funds for core operations.

Option 2

3.25% Budget (No Override)

\$45,931,775

↑ \$1.44M Increase over FY26

- ℹ️ Maintains services only in the **short term**.
- ⚠️ Continues high-risk reliance on School Choice funds for salaries & ops.
- ➖ **Athletics Deficit:** \$300k gap remains, forcing program cuts or fee hikes.
- 💀 **Fiscal Cliff:** School Choice funds projected to be depleted by FY28.



Note: Both budget scenarios include the same reduction of 13.2 Full-Time Equivalent (FTE) positions.

Option 1 — 6.18% Operational Override




Total Budget Amount

\$47,236,865

Increase Over FY26

+\$2,750,000

 **6.18%
Increase**

✓ Moves **\$1.1 Million** in recurring salaries and operating expenses from revolving funds back to the general operating budget.

✓ Covers **\$293,000** in operating expenses currently funded by volatile School Choice funds.

✓ Properly funds **Athletics at \$300,000**, completely eliminating the structural deficit.

✓ Supports critical positions including athletic field management & assistant athletic director.

✓ Frees up revolving funds for one-time capital investments instead of recurring costs.

✓ Provides **long-term fiscal stability** by correcting structural funding imbalances.



"This is a stabilization budget — not a growth budget."








The primary goal is to secure the district's financial foundation for the future.

Positions Eliminated in ALL Budget Scenarios



Retirements & Non-Filled Positions

Natural Attrition / Unfilled Vacancies

 Mindess Teachers (x3) Special Education, Classroom, Specials (Retirements)	3.0
 Warren Teacher Retirement	1.0
 District Nursing Retirement	1.2
 AHS Science Retirement	1.0
 Business Office (x2) Unfilled Vacancies	2.0
 Facilities Staff Unfilled Vacancy	1.0
 AHS ESP Unfilled Vacancy	1.0

Total Attrition

10.2 FTE

Budget Reductions

Programmatic Eliminations

 Director of SEL Administrative Reduction	1.0
 Special Education Coordinator Administrative Reduction	1.0
 AMS Spanish (No 6-7) Program Change	1.0

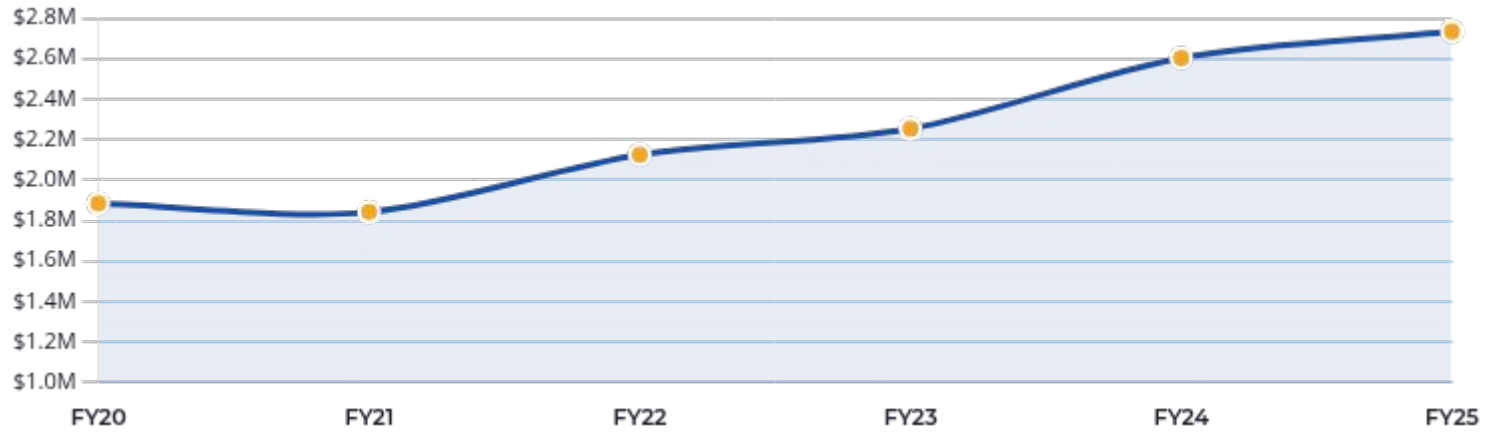
 *These reductions impact programming and administrative capacity but were deemed necessary to meet fiscal constraints.*

Total Reductions

3.0 FTE

Transportation Expense Trends

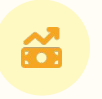
Net Expense Trend (FY20 - FY25)



Overall Expense Growth

45%

↑ \$1.88M to \$2.73M



Special Education % Shift

51.52%

↑ Up from 46.83% in FY20



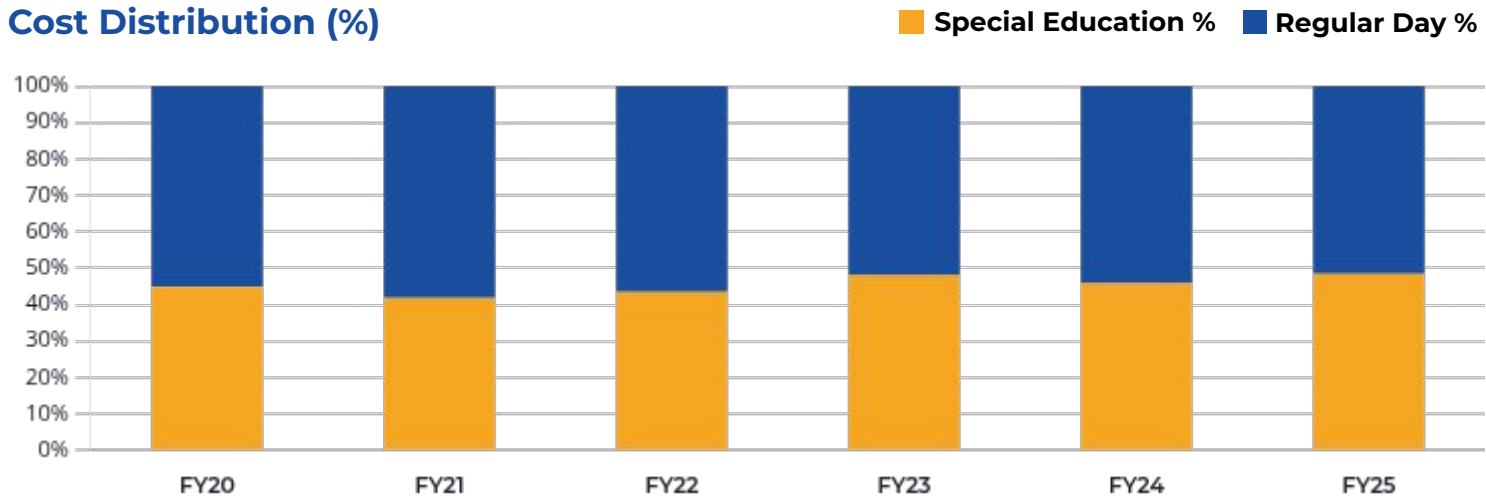
Regular Day % Shift

54.86%

↓ Down from 57.57% in FY20



Cost Distribution (%)



Structural Cost Shift

Over the past 6 years, mandated **Special Education transportation** has steadily grown to consume a larger percentage of the budget. Despite optimizing regular day operations, the overall net expense has significantly increased due to these specialized requirements.

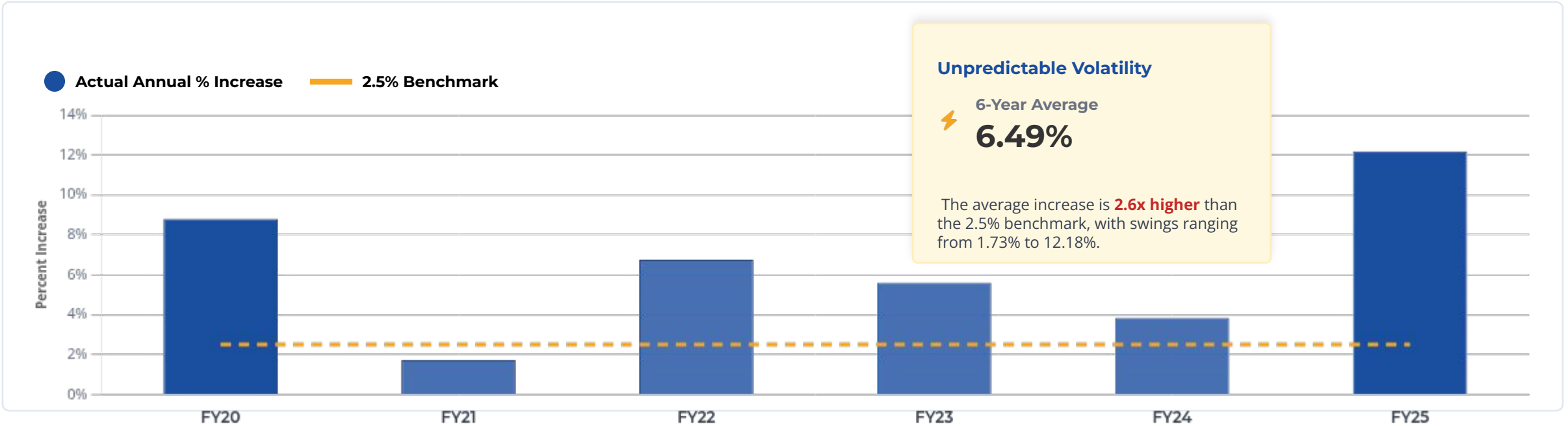
Transportation Expense Analysis (FY20 – FY25)

 **Key Trend: 45% Growth Over 6 Years**

Net transportation expenses have experienced significant growth over the recent six fiscal years, increasing by **45%** from **\$1,883,573 in FY20** to **\$2,732,054 in FY25**. This table details the shifting cost distribution across Special Education, Regular Day, and Athletics.

FY	Transportation Fees	Revolving Fund Use	Special Education Transportation	Regular Day Bus	Athletics	Total Transportation Expense	Net Expense	Special Education %	Reg. Day %
FY20	\$156,372	\$128,095	\$695,157	\$80,758	\$48,029	\$993,747	\$1,883,573	46.83%	57.57%
FY21	\$202,995	\$131,976	\$689,039	\$192,976	\$73,563	\$1,168,747	\$1,841,395	45.53%	63.47%
FY22	\$307,875	\$20,888	\$427,665	\$583,202	\$110,062	\$1,290,899	\$2,124,840	47.57%	61.74%
FY23	\$382,493	\$746,479	\$527,405	\$140,395	\$1,130,557	\$1,506,312	\$2,636,233	53.02%	57.34%
FY24	\$317,847	\$161,845	\$666,590	\$528,364	\$148,878	\$2,602,745	\$2,920,592	48.94%	57.87%
FY25	\$330,373	\$881,543 (Used \$720k More in Revolving)	\$628,616	\$778,879	\$156,090	\$3,062,427	\$2,732,054	51.52%	54.86%

Special Education Cost Volatility: Actual % vs. Benchmark

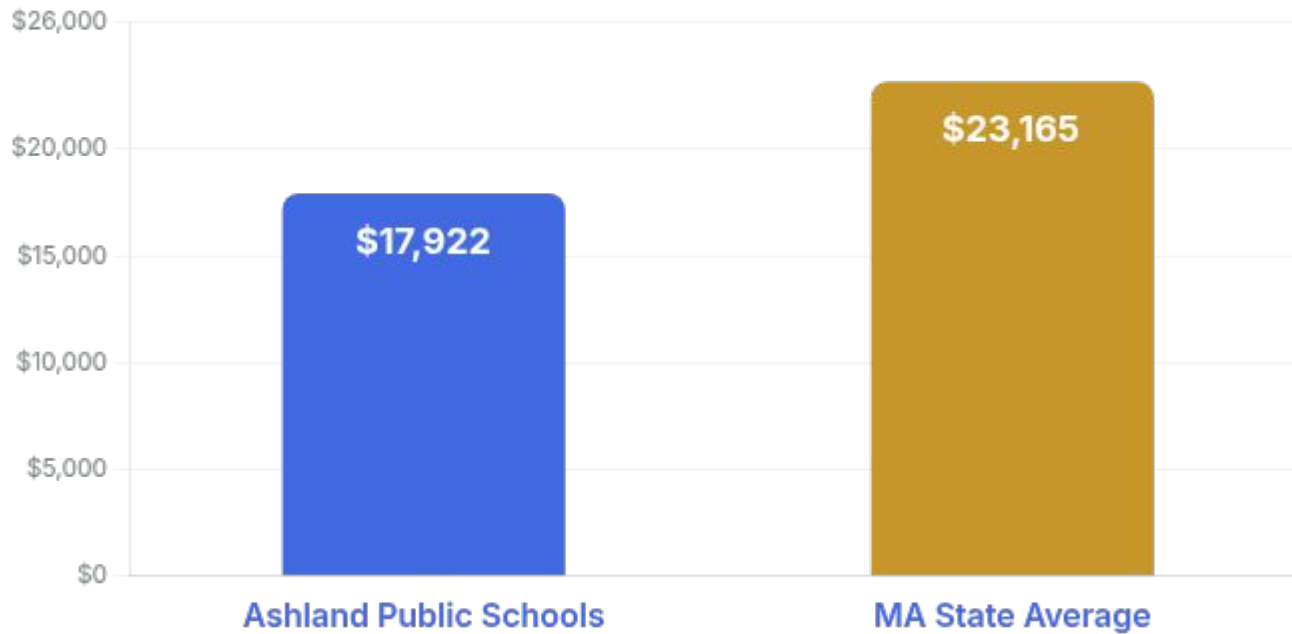


Fiscal Year	Actual % Increase	2.5% Benchmark
FY20	8.81%	2.50%
FY21	1.73%	2.50%
FY22	6.76%	2.50%
FY23	5.61%	2.50%
FY24	3.84%	2.50%
FY25	12.18%	2.50%

Per-Pupil Spending — Where Does Ashland Stand?



Spending Comparison (FY24 Data)



State Ranking

361st

Out of 395 Massachusetts Districts



Funding Gap

-\$5,243

Per Student vs. State Average



Ashland is doing **more with less** — but without structural correction, this gap will continue to widen.

Revolving Fund Use Scenarios — Fiscal Year 2027



Fund Category	Beginning Balance	2.25% (FY'27 End)	3.25% (FY'27 End)	Override (FY'27 End)
Athletics	\$646,161	\$393,161	\$393,161	\$693,161
Building Rental	\$843,110	\$853,348	\$853,348	\$853,348
School Bus Revolving	\$951,208	\$951,208	\$951,208	\$951,208
School Choice	\$1,786,556	\$430,111	\$874,114	\$1,879,203
TOTAL	\$4,227,035	\$2,627,828	\$3,071,834	\$4,376,920



Level Funded Risk

Under a Level Funded scenario, the **School Choice balance drops to just \$55,727** — nearly depleted in a single year, leaving zero cushion for FY 28.




Structural Deficit Warning

Even at the 3.25% budget level, School Choice ends FY27 with only **\$874,114**. This is **insufficient** to fund ongoing operations into FY28 without major cuts.

Revolving Fund Projections — Fiscal Year 2028 Fiscal Cliff



Fund Category	FY 28 Beginning Balance (2.25%)	FY 28 Revenue	FY 28 Expense	FY28 Ending Balance (2.25%)	FY28 Ending Balance (3.25%)
Athletics	\$393,161	\$275,000	\$528,000	\$140,161	\$140,161
Building Rental	\$853,348	\$173,344	\$163,106	\$863,586	\$863,586
School Bus Revolving	\$951,208	\$300,000	\$300,000	\$951,208	\$951,208
 School Choice	\$430,111	\$250,000	\$1,606,445	(\$926,334)	(\$38,328)
Total All Funds	\$2,627,828	\$998,344	\$2,597,551	\$1,028,621	\$1,916,627

FISCAL CLIFF WARNING



Scenario 2.25%: School Choice deficit hits
(\$926,334)

Scenario 3.25%: School Choice deficit hits
(\$38,328) - Additional \$888,006 in School Choice

Conclusion: The district cannot sustain operations without an override or major program cuts beyond FY27.

Funding Context



Separate Appropriation Required

Capital needs are **NOT included** in the operating budget. These projects require separate Town Meeting appropriation or debt exclusion votes.



Federal Grants Limitations

While the district receives ~\$323k in Federal Grants (Title I-IV), these funds support targeted professional development and salaries. They **cannot** replace general fund obligations or fund capital projects.

Infrastructure Impact

Deferring these capital investments creates long-term liability for the town. The facility and technology needs (\$7.4M) are critical for maintaining safe and effective learning environments.

Project / Investment Area	Estimated Cost
AHS Roof Replacement Critical facility preservation	\$3,600,000
AMS Turf Field Replacement due to end of lifecycle	\$1,300,000
AHS Turf Field Replacement due to end of lifecycle	\$1,300,000
Literacy Program Materials District-wide curriculum update	\$900,000
Facility & Technology Needs Comprehensive infrastructure updates	\$7,413,655
TOTAL CAPITAL NEEDS	\$14,513,655

Summary — Two Paths Forward







Option 1

Override Budget (6.18%)

\$47,236,865

↑ \$2.75M Increase over FY26





-  **Structural Stability:** Creates a sustainable financial foundation.
-  **Athletics:** Fully funded within operating budget.
-  **School Choice:** Freed up for strategic capital needs.
-  **Long-Term:** Sustainable path with reduced future risk.

Option 2

3.25% Budget (No Override)

\$45,931,775

↑ \$1.44M Increase over FY26

-  **Short-Term:** Maintains services briefly but ignores structural issues.
-  **Athletics:** \$300k structural deficit remains unresolved.
-  **School Choice:** Projected to be fully depleted by FY28.
-  **Risk:** High probability of deeper cuts in future cycles.