





MTRSD School Budget Voting Outcomes

 If the proposed budget obtains a 2/3 majority vote, it is APPROVED, and the District moves forward with that budget.


 If the proposed budget fails to obtain a 2/3 majority vote, the budget is REJECTED, and the District has 30 days to review, revise and resubmit.


May 2026

What is Required for the MTRSD Budget to Pass?

Under the Mohawk Trail Regional Agreement, the annual operating budget must be approved by a 2/3 majority, or 10 of 14 "town voting units."

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| <p>The towns whose students attend MTRSD schools for Grades PK-12 vote 2 units:</p> <ul style="list-style-type: none"> Ashfield Buckland Colrain Heath Plainfield Shelburne <p>(12 available units)</p> | <p>Towns whose students attend only the Mohawk Trail Regional School (grades 7-12) vote 1 unit:</p> <ul style="list-style-type: none"> Howley Charlemont <p>(2 available units)</p> |
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 If the subsequent proposed budget obtains a 2/3 majority vote, it is APPROVED, and the District moves forward with that budget.

 If the subsequent proposed budget fails to obtain a 2/3 majority, the budget is REJECTED. The District then requests a "1/12 budget" from DESE.

June 2026

What is the Impact of a 1/12 Budget?

In implementing a 1/12 budget, DESE requires a rollback to the previous budget year. The District's FY26 budget is \$1,698,616 LESS than the proposed FY27 budget.

To operate within this framework, the District's senior leadership team would need to identify reductions totaling \$1,698,616. Because the majority of operating costs are personnel, significant reductions would be made to staff positions across the district.

 If no budget is approved by the town vote by December 31, 2026, the 1/12 budget becomes the approved budget through June 30, 2027.

 The District will have to work within the 1/12 budget but will continue to revise the budget until it is approved.

July 2026

Dec 2026 - June 2027

Terms to Know:
DESE: Department of Elementary and Secondary Education

Mohawk Trail Regional Agreement: the governing document defining the partnership between member towns, covering operations, school committee composition, and assessment formulas.

Annual Operating Budget: the portion of the annual school budget that towns are responsible for funding through their tax base.

1/12 Budget: a monthly spending plan overseen by DESE that allows spending of only 1/12 of the total FY26 budget per month – until a revised budget is approved.



What has made FY27 a particularly challenging budget year?

Fixed Cost Increases

Many operating costs remain constant regardless of fluctuations in student enrollment, driven largely by inflation and contractual obligations. These costs continue to rise at an alarming rate – not just in our District, but across the state.

Major fixed-cost increases for FY27:

- Contractual salary increases – \$800,000
- Insurance and benefits – \$798,720
- Transportation – \$636,724
- Out-of-District Special Education Tuitions – \$482,466

Funding Loss

Additionally, over the last couple of years, the loss of funding such as COVID-era government funding, is another area creating a wider divide between what is provided and what is needed to balance the budget.

Rural Aid Uncertainty

The state has provided some direct aid to rural school districts since FY19. However, the amount of aid is variable and unreliable.

For FY26, the Governor proposed total rural aid of \$16 million (the same as in FY25), and the Mohawk Trail Regional budget included those anticipated revenues. However, the legislature ultimately reduced that amount to \$12 million (25%), leaving the District to find reductions to make up for the loss of \$164,323. For FY27, the Governor has proposed rural aid of \$20 million, but its fate remains uncertain.

Chapter 70 state aid and Hold Harmless agreements

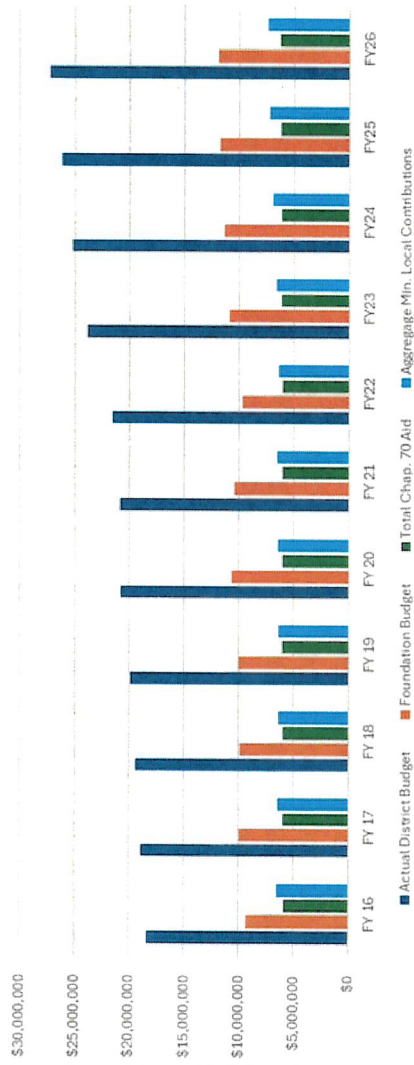
A hold harmless provision is a Chapter 70 school funding policy ensuring that districts receive at least the same amount of state aid as the previous year, regardless of declining student enrollment. It is meant to protect school budgets from sharp drops.

The increase in Chapter 70 State Aid for districts in hold harmless status, like ours, is minimum per pupil funding. For FY26, this amount was \$150/pupil, resulting in an increase of \$114,300. The amount projected for the FY27 budget year is \$75/pupil for a total of \$57,150.

This increase is not in line with the rate at which other expenses are increasing, which necessitates covering costs in other ways, such as through town assessments and cutting existing personnel, programs, and resources.

Ten years ago, chapter 70 funding supported 32% of the district budget. Over the last ten years, while the funding has stayed virtually flat, the district budget has steadily increased and, in FY26, that same funding now represents 23% of the budget, placing a much greater financial burden on our towns than 10 years ago.

MTRSD Budget History: 2016 - 2026



Advocating for equitable funding for rural schools continues to be important work for all of us in rural communities!